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STATE OF NORTH CAROLINA

SESSION LAWS AND RESOLUTIONS

PASSED BY THE

1987 GENERAL ASSEMBLY

AT ITS

REGULAR SESSION 1988

BEGINNING ON

THURSDAY, THE SECOND DAY OF JUNE, A.D. 1988

HELD IN THE CITY OF RALEIGH

**ISSUED BY
SECRETARY OF STATE THAD EURE**

PUBLISHED BY AUTHORITY

Lithographed by
West Publishing Company
St. Paul, Minn.

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February
1988, 1989

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STATE OF NORTH CAROLINA

PRESIDING OFFICERS OF THE 1987 GENERAL ASSEMBLY

ROBERT B. JORDAN III	.....	President of the Senate	.....	Montgomery
LISTON BRYAN RAMSEY	.....	Speaker of the House		
		of Representatives	.....	Madison

EXECUTIVE BRANCH

(Offices established by the Constitution, filled by
election and comprising the Council of State)

JAMES G. MARTIN (R)	.....	Governor	.....	Mecklenburg
ROBERT B. JORDAN III	.....	Lieutenant Governor	.....	Montgomery
THAD EURE	.....	Secretary of State	.....	Hertford
EDWARD RENFROW	.....	Auditor	.....	Johnston
HARLAN E. BOYLES	.....	Treasurer	.....	Wake
A. CRAIG PHILLIPS	.....	Superintendent of		
		Public Instruction	.....	Guilford
LACY H. THORNBURG	.....	Attorney General	.....	Jackson
JAMES A. GRAHAM	.....	Commissioner of		
		Agriculture	.....	Rowan
JOHN C. BROOKS	.....	Commissioner of Labor	.....	Wake
JAMES A. LONG	.....	Commissioner of Insurance	.....	Alamance

The political affiliation of each legislator and member of the Council of State listed on this and the following pages is Democratic unless designated Republican by the abbreviation (R).

G.S. 147-16.1 authorizes publication of Executive Orders of the Governor in the Session Laws of North Carolina. Executive Orders from Governor Martin are carried in the appendix to this volume.

1987 GENERAL ASSEMBLY

SENATE OFFICERS

<i>Name</i>	<i>Position</i>	<i>Address</i>
ROBERT B. JORDAN III	President	Mt. Gilead
J. J. HARRINGTON	President Pro Tempore	Lewiston-Woodville
KENNETH C. ROYALL, JR.	Deputy President Pro Tempore	Durham
ANTHONY E. RAND	Majority Leader	Fayetteville
SYLVIA M. FINK	Principal Clerk	Raleigh
LEROY CLARK, JR.	Reading Clerk	Wendell
GERDA B. PLEASANTS	Sergeant-at-Arms	Cary

SENATORS

<i>District</i>	<i>Name</i>	<i>County</i>	<i>Address</i>
1	MARC BASNIGHT	Dare	Manteo
2	J. J. HARRINGTON	Bertie	Lewiston-Woodville
3	WILLIAM H. BARKER	Craven	Vanceboro
4	A. D. GUY	Onslow	Jacksonville
5	HAROLD W. HARDISON	Lenoir	Deep Run
6	R. L. MARTIN	Pitt	Bethel
7	FRANKLIN BLOCK	New Hanover	Wrightsville Beach
8	HENSON P. BARNES	Wayne	Goldsboro
9	THOMAS F. TAFT	Pitt	Greenville
10	JAMES E. EZZEL, JR.	Nash	Rocky Mount
11	JAMES D. SPEED	Franklin	Louisburg
12	ANTHONY E. RAND	Cumberland	Fayetteville
12	LURA S. TALLY	Cumberland	Fayetteville
13	KENNETH C. ROYALL, JR.	Durham	Durham
13	RALPH A. HUNT	Durham	Durham
14	JOSEPH E. JOHNSON	Wake	Raleigh
14	WILLIAM W. STATON	Lee	Sanford
14	J. K. SHERRON, JR.	Wake	Raleigh
15	ROBERT D. WARREN	Johnston	Benson
16	RUSSELL G. WALKER	Randolph	Asheboro
16	WANDA H. HUNT	Moore	Pinehurst
17	J. RICHARD CONDER	Richmond	Rockingham
17	AARON W. PLYLER	Union	Monroe
18	R. C. SOLES, JR.	Columbus	Tabor City
19	ROBERT G. SHAW (R)	Guilford	Greensboro
20	MARVIN M. WARD	Forsyth	Winston-Salem
20	TED KAPLAN	Forsyth	Winston-Salem
21	GEORGE B. DANIEL	Caswell	Yanceyville
22	JAMES C. JOHNSON, JR. (R)	Cabarrus	Concord
23	ROBERT VANCE SOMERS (R)	Rowan	Salisbury
23	PAUL S. SMITH (R)	Rowan	Salisbury
24	WILLIAM D. GOLDBSTON, JR.	Rockingham	Eden
24	A. P. SANDS III	Rockingham	Reidsville
25	J. OLLIE HARRIS	Cleveland	Kings Mountain
25	HELEN RHYNE MARVIN	Gaston	Gastonia
25	MARSHALL A. RAUCH	Gaston	Gastonia
26	AUSTIN M. ALLRAN (R)	Catawba	Hickory
26	HOWARD F. BRYAN (R)*	Iredell	Statesville
27	DONALD R. KINCAID (R)	Caldwell	Lenoir
27	DANIEL R. SIMPSON (R)	Burke	Morganton
28	ROBERT S. SWAIN	Buncombe	Asheville
28	DENNIS J. WINNER	Buncombe	Asheville
29	CHARLES WILLIAM HIPPS	Haywood	Waynesville
29	R. P. THOMAS	Henderson	Hendersonville
30	DAVID RUSSELL PARNELL	Robeson	Parkton
31	WILLIAM N. MARTIN	Guilford	Greensboro
32	MARY P. SEYMOUR	Guilford	Greensboro
33	JAMES F. RICHARDSON	Mecklenburg	Charlotte
34	JAMES D. McDUFFIE (R)	Mecklenburg	Charlotte
35	LAURENCE A. COBB (R)	Mecklenburg	Charlotte

* Howard F. Bryan was appointed by Governor Martin 3/12/87, to replace William W. Redman who resigned effective 3/11/87.

HOUSE OFFICERS

<i>Name</i>	<i>Position</i>	<i>Address</i>
LISTON B. RAMSEY	Speaker	Marshall, Madison County
JOHN J. HUNT	Speaker Pro Tempore	Lattimore, Cleveland County
GRACE A. COLLINS	Principal Clerk	Fuquay-Varina, Wake County
SAM J. BURROW, JR.	Reading Clerk	Cary, Wake County
LARRY P. EAGLES	Sergeant-at-Arms	Tarboro, Edgecombe County

REPRESENTATIVES

<i>District</i>	<i>Name</i>	<i>County</i>	<i>Address</i>
1	VERNON G. JAMES	Pasquotank	Elizabeth City
1	R. M. THOMPSON	Chowan	Edenton
2	HOWARD B. CHAPIN	Beaufort	Washington
3	GERALD L. ANDERSON	Craven	Bridgeton
3	DANIEL T. LILLEY	Lenoir	Kinston
3	BEVERLY M. PERDUE	Craven	New Bern
4	W. BRUCE ETHRIDGE	Onslow	Swansboro
4	ROBERT GRADY (R)	Onslow	Jacksonville
4	J. PAUL TYNDALL	Onslow	Jacksonville
5	BREWSTER W. BROWN	Hertford	Winton
6	EUGENE ROGERS	Martin	Williamston
7	THOMAS C. HARDAWAY	Halifax	Enfield
8	JOSEPHUS L. MAVRETIC	Edgecombe	Tarboro
9	WALTER B. JONES, JR.	Pitt	Farmville
9	EDWARD N. WARREN	Pitt	Greenville
10	WENDELL H. MURPHY	Duplin	Rose Hill
11	JOHN KERR	Wayne	Goldsboro
11	JOHN TART	Wayne	Goldsboro
12	EDD NYE	Bladen	Elizabethtown
12	ED BOWEN	Sampson	Harrells
13	A. M. HALL	New Hanover	Wilmington
13	HARRY E. PAYNE	New Hanover	Wilmington
14	E. DAVID REDWINE	Brunswick	Shalotte
15	RICHARD WRIGHT	Columbus	Tabor City
16	DANIEL H. DEVANE	Hoke	Raeford
16	JOHN CALVIN HASTY	Robeson	Maxton
16	SIDNEY A. LOCKS	Robeson	Lumberton
17	C. R. EDWARDS	Cumberland	Fayetteville
17	LUTHER R. JERALDS	Cumberland	Fayetteville
18	R. D. BEARD	Cumberland	Fayetteville
18	JOE RAYNOR	Cumberland	Fayetteville
18	ALEX WARNER	Cumberland	Hope Mills
19	BOB R. ETHERIDGE	Harnett	Lillington
19	DENNIS A. WICKER	Lee	Sanford
20	GEORGE W. BRANNAN	Johnston	Smithfield
20	BARNEY PAUL WOODARD	Johnston	Princeton
21	DANIEL T. BLUE, JR.	Wake	Raleigh
22	JOHN T. CHURCH	Vance	Henderson
22	JAMES W. CRAWFORD, JR.	Granville	Oxford
22	WILLIAM T. WATKINS	Granville	Oxford
23	H. M. MICHAUX, JR.	Durham	Durham
24	ANNE C. BARNES	Orange	Chapel Hill
24	JOE HACKNEY	Orange	Chapel Hill
25	J. FRED BOWMAN	Alamance	Burlington
25	BERTHA M. HOLT	Alamance	Burlington
25	R. SAMUEL HUNT, III	Alamance	Burlington
25	ROBERT L. MCALISTER	Rockingham	Ruffin
26	HERMAN C. GIST	Guilford	Greensboro
27	MARGARET P. KEESSEE-FORRESTER (R)	Guilford	Greensboro
27	ALBERT S. LINEBERRY, SR.	Guilford	Greensboro
27	FRANK J. SIZEMORE, III (R)	Guilford	Greensboro
28	RICHARD E. CHALK (R)	Guilford	High Point
28	MARY JARRELL	Guilford	High Point
29	MICHAEL P. DECKER (R)	Forsyth	Walkertown
30	WILLIAM T. BOYD (R)	Randolph	Asheboro
31	JAMES M. CRAVEN (R)	Moore	Pinebluff

32	DONALD M. DAWKINS	Richmond	Rockingham
33	FOYLE HIGHTOWER, JR.	Anson	Wadesboro
34	WILLIAM G. ALEXANDER	Cabarrus	Kannapolis
34	BOBBY H. BARBEE, SR. (R)	Stanly	Locust
34	COY C. PRIVETTE (R)	Cabarrus	Kannapolis
34	TIMOTHY N. TALLENT (R)	Cabarrus	Concord
35	CHARLOTTE A. GARDNER (R)	Rowan	Salisbury
35	BRADFORD V. LIGON (R)	Rowan	Salisbury
36	RAYMOND WARREN (R)	Mecklenburg	Mint Hill
37	BETSY L. COCHRANE (R)	Davie	Advance
37	CHARLES L. CROMER (R)	Davidson	Thomasville
37	JOE H. HEGE, JR. (R)	Davidson	Lexington
38	HAROLD J. BRUBAKER (R)	Randolph	Asheboro
39	ANN Q. DUNCAN (R)	Forsyth	Pfafftown
39	THERESA H. ESPOSITO (R)	Forsyth	Winston-Salem
39	FRANK E. RHODES (R)	Forsyth	Winston-Salem
40	DAVID H. DIAMONT	Surry	Pilot Mountain
40	JUDY HUNT	Watauga	Blowing Rock
40	WADE F. WILMOTH	Watauga	Boone
41	JOHN WALTER BROWN (R)	Wilkes	Elkin
41	GEORGE M. HOLMES (R)	Yadkin	Yadkinville
42	LOIS S. WALKER (R)	Iredell	Statesville
43	C. ROBERT BRAWLEY (R)	Iredell	Mooreville
44	J. VERNON ABERNETHY (R)	Gaston	Gastonia
44	DAVID W. BUMGARDNER, JR.	Gaston	Belmont
44	JOHNATHAN L. RHYNE, JR. (R)	Lincoln	Lincolnton
44	WALTER H. WINDLEY, III (R)	Gaston	Gastonia
45	DORIS R. HUFFMAN (R)	Catawba	Newton
45	W. STINE ISENHOWER (R)	Catawba	Conover
46	CHARLES F. BUCHANAN (R)	Mitchell	Green Mountain
46	JAMES F. HUGHES (R)	Avery	Linville
46	EDGAR VANCE STARNES (R)	Caldwell	Granite Falls
47	RAY C. FLETCHER	Burke	Valdese
48	JOHN J. HUNT	Cleveland	Lattimore
48	EDITH LEDFORD LUTZ	Cleveland	Lawndale
48	CHARLES D. OWENS	Rutherford	Forest City
49	ROBERT C. HUNTER	McDowell	Marion
50	LARRY T. JUSTUS (R)	Henderson	Hendersonville
51	MARIE W. COLTON	Buncombe	Asheville
51	NARVEL J. CRAWFORD	Buncombe	Asheville
51	GORDON H. GREENWOOD	Buncombe	Black Mountain
51	MARTIN L. NESBITT	Buncombe	Asheville
52	CHARLES M. BEALL	Haywood	Clyde
52	LISTON B. RAMSEY	Madison	Marshall
53	JEFF H. ENLOE, JR.	Macon	Franklin
54	JOHN B. MCLAUGHLIN	Mecklenburg	Newell
55	C. IVAN MOTHERSHEAD (R)	Mecklenburg	Charlotte
56	JO GRAHAM FOSTER	Mecklenburg	Charlotte
57	HARRY GRIMMER (R)	Mecklenburg	Matthews
58	RUTH M. EASTERLING	Mecklenburg	Charlotte
59	W. PETE CUNNINGHAM	Mecklenburg	Charlotte
60	HOWARD C. BARNHILL	Mecklenburg	Charlotte
61	CASPER HOLROYD	Wake	Raleigh
62	WILLIAM M. FREEMAN	Wake	Fuquay-Varina
63	MARGARET STAMEY	Wake	Raleigh
64	BETTY H. WISER	Wake	Raleigh
65	AARON E. FUSSELL	Wake	Raleigh
66	ANNIE BROWN KENNEDY	Forsyth	Winston-Salem
67	LOGAN BURKE	Forsyth	Winston-Salem
68	SHARON THOMPSON	Durham	Durham
69	GEORGE W. MILLER, JR.	Durham	Durham
70	MILTON F. FITCH, JR.	Wilson	Wilson
71	LARRY E. ETHERIDGE (R)	Wilson	Wilson
72	ROY COOPER, III	Nash	Rocky Mount

LEGISLATIVE SERVICES COMMISSION

SENATE PRESIDENT PRO TEMPORE J. J. HARRINGTON,
Cochairman

HOUSE SPEAKER LISTON BRYAN RAMSEY, *Cochairman*

SEN. J. RICHARD CONDER
SEN. OLLIE HARRIS
SEN. DAVID R. PARNELL
SEN. AARON W. PLYLER
SEN. KENNETH C. ROYALL, JR.
SEN. ROBERT S. SWAIN

REP. DANIEL T. BLUE, JR.
REP. RUTH M. EASTERLING
REP. FOYLE HIGHTOWER, JR.
REP. JOHN J. HUNT
REP. DANIEL T. LILLEY
REP. WILLIAM T. WATKINS

LEGISLATIVE SERVICES STAFF DIRECTORS

GEORGE R. HALL, JR.	Legislative Administrative Officer
GERRY F. COHEN	Director of Legislative Drafting
THOMAS L. COVINGTON	Director of Fiscal Research
M. GLENN NEWKIRK	Director of Legislative Automated Systems
TERRENCE D. SULLIVAN	Director of Research
J. MICHAEL MINSHEW	Building Superintendent and Chief of Security



PREAMBLE

We, the people of the State of North Carolina, grateful to Almighty God, the Sovereign Ruler of Nations, for the preservation of the American Union and the existence of our civil, political and religious liberties, and acknowledging our dependence upon Him for the continuance of those blessings to us and our posterity, do, for the more certain security thereof and for the better government of this State, ordain and establish this Constitution.

ARTICLE I

DECLARATION OF RIGHTS

That the great, general, and essential principles of liberty and free government may be recognized and established, and that the relations of this State to the Union and government of the United States and those of the people of this State to the rest of the American people may be defined and affirmed, we do declare that:

Section 1. *The equality and rights of persons.* We hold it to be self-evident that all persons are created equal; that they are endowed by their Creator with certain inalienable rights; that among these are life, liberty, the enjoyment of the fruits of their own labor, and the pursuit of happiness.

Sec. 2. *Sovereignty of the people.* All political power is vested in and derived from the people; all government of right originates from the people, is founded upon their will only, and is instituted solely for the good of the whole.

Sec. 3. *Internal government of the State.* The people of this State have the inherent, sole, and exclusive right of regulating the internal government and police thereof, and of altering or abolishing their Constitution and form of government whenever it may be necessary to their safety and happiness; but every such right shall be exercised in pursuance of law and consistently with the Constitution of the United States.

Sec. 4. *Secession prohibited.* This State shall ever remain a member of the American Union; the people thereof are part of the American Nation; there is no right on the part of this State to secede; and all attempts from whatever source or upon whatever pretext, to

dissolve this Union or to sever this Nation, shall be resisted with the whole power of the State.

Sec. 5. *Allegiance to the United States.* Every citizen of this State owes paramount allegiance to the Constitution and government of the United States, and no law or ordinance of the State in contravention or subversion thereof can have any binding force.

Sec. 6. *Separation of powers.* The legislative, executive, and supreme judicial powers of the State government shall be forever separate and distinct from each other.

Sec. 7. *Suspending laws.* All power of suspending laws or the execution of laws by any authority, without the consent of the representatives of the people, is injurious to their rights and shall not be exercised.

Sec. 8. *Representation and taxation.* The people of this State shall not be taxed or made subject to the payment of any impost or duty without the consent of themselves or their representatives in the General Assembly, freely given.

Sec. 9. *Frequent elections.* For redress of grievances and for amending and strengthening the laws, elections shall be often held.

Sec. 10. *Free elections.* All elections shall be free.

Sec. 11. *Property qualifications.* As political rights and privileges are not dependent upon or modified by property, no property qualification shall affect the right to vote or hold office.

Sec. 12. *Right of assembly and petition.* The people have a right to assemble together to consult for their common good, to instruct their representatives, and to apply to the General Assembly for redress of grievances; but secret political societies are dangerous to the liberties of a free people and shall not be tolerated.

Sec. 13. *Religious liberty.* All persons have a natural and inalienable right to worship Almighty God according to the dictates of their own consciences, and no human authority shall, in any case whatever, control or interfere with the rights of conscience.

Sec. 14. *Freedom of speech and press.* Freedom of speech and of the press are two of the great bulwarks of liberty and therefore shall

never be restrained, but every person shall be held responsible for their abuse.

Sec. 15. *Education.* The people have a right to the privilege of education, and it is the duty of the State to guard and maintain that right.

Sec. 16. *Ex post facto laws.* Retrospective laws, punishing acts committed before the existence of such laws and by them only declared criminal, are oppressive, unjust, and incompatible with liberty, and therefore no ex post facto law shall be enacted. No law taxing retrospectively sales, purchases, or other acts previously done shall be enacted.

Sec. 17. *Slavery and involuntary servitude.* Slavery is forever prohibited. Involuntary servitude, except as a punishment for crime whereof the parties have been adjudged guilty, is forever prohibited.

Sec. 18. *Court shall be open.* All courts shall be open; every person for an injury done him in his lands, goods, person, or reputation shall have remedy by due course of law; and right and justice shall be administered without favor, denial, or delay.

Sec. 19. *Law of the land; equal protection of the laws.* No person shall be taken, imprisoned, or disseized of his freehold, liberties, or privileges, or outlawed, or exiled, or in any manner deprived of his life, liberty, or property, but by the law of the land. No person shall be denied the equal protection of the laws; nor shall any person be subjected to discrimination by the State because of race, color, religion, or national origin.

Sec. 20. *General warrants.* General warrants, whereby any officer or other person may be commanded to search suspected places without evidence of the act committed, or to seize any person or persons not named, whose offense is not particularly described and supported by evidence, are dangerous to liberty and shall not be granted.

Sec. 21. *Inquiry into restraints on liberty.* Every person restrained of his liberty is entitled to a remedy to inquire into the lawfulness thereof, and to remove the restraint if unlawful, and that remedy shall not be denied or delayed. The privilege of the writ of habeas corpus shall not be suspended.

Sec. 22. *Modes of prosecution.* Except in misdemeanor cases initiated in the District Court Division, no person shall be put to

answer any criminal charge but by indictment, presentment, or impeachment. But any person, when represented by counsel, may, under such regulations as the General Assembly shall prescribe, waive indictment in noncapital cases.

Sec. 23. *Rights of accused.* In all criminal prosecutions, every person charged with crime has the right to be informed of the accusation and to confront the accusers and witnesses with other testimony, and to have counsel for defense, and not be compelled to give self-incriminating evidence, or to pay costs, jail fees, or necessary witness fees of the defense, unless found guilty.

Sec. 24. *Right of jury trial in criminal cases.* No person shall be convicted of any crime but by the unanimous verdict of a jury in open court. The General Assembly may, however, provide for other means of trial for misdemeanors, with the right of appeal for trial de novo.

Sec. 25. *Right of jury trial in civil cases.* In all controversies at law respecting property, the ancient mode of trial by jury is one of the best securities of the rights of the people, and shall remain sacred and inviolable.

Sec. 26. *Jury service.* No person shall be excluded from jury service on account of sex, race, color, religion, or national origin.

Sec. 27. *Bail, fines, and punishments.* Excessive bail shall not be required, nor excessive fines imposed, nor cruel or unusual punishments inflicted.

Sec. 28. *Imprisonment for debt.* There shall be no imprisonment for debt in this State, except in cases of fraud.

Sec. 29. *Treason against the State.* Treason against the State shall consist only of levying war against it or adhering to its enemies by giving them aid and comfort. No person shall be convicted of treason unless on the testimony of two witnesses to the same overt act, or on confession in open court. No conviction of treason or attainder shall work corruption of blood or forfeiture.

Sec. 30. *Militia and the right to bear arms.* A well regulated militia being necessary to the security of a free State, the right of the people to keep and bear arms shall not be infringed; and, as standing armies in time of peace are dangerous to liberty, they shall not be maintained, and the military shall be kept under strict subordination to, and governed by, the civil power. Nothing herein shall justify the

practice of carrying concealed weapons, or prevent the General Assembly from enacting penal statutes against that practice.

Sec. 31. *Quartering of soldiers.* No soldier shall in time of peace be quartered in any house without the consent of the owner, nor in time of war but in a manner prescribed by law.

Sec. 32. *Exclusive emoluments.* No person or set of persons is entitled to exclusive or separate emoluments or privileges from the community but in consideration of public services.

Sec. 33. *Hereditary emoluments and honors.* No hereditary emoluments, privileges, or honors shall be granted or conferred in this State.

Sec. 34. *Perpetuities and monopolies.* Perpetuities and monopolies are contrary to the genius of a free state and shall not be allowed.

Sec. 35. *Recurrence to fundamental principles.* A frequent recurrence to fundamental principles is absolutely necessary to preserve the blessings of liberty.

Sec. 36. *Other rights of the people.* The enumeration of rights in this Article shall not be construed to impair or deny others retained by the people.

ARTICLE II

LEGISLATIVE

Section 1. *Legislative power.* The legislative power of the State shall be vested in the General Assembly, which shall consist of a Senate and a House of Representatives.

Sec. 2. *Number of Senators.* The Senate shall be composed of 50 Senators, biennially chosen by ballot.

Sec. 3. *Senate districts; apportionment of Senators.* The Senators shall be elected from districts. The General Assembly, at the first regular session convening after the return of every decennial census of population taken by order of Congress, shall revise the senate districts and the apportionment of Senators among those districts, subject to the following requirements:

(1) Each Senator shall represent, as nearly as may be, an equal number of inhabitants, the number of inhabitants that each Senator represents being determined for this purpose by dividing the population of the District that he represents by the number of Senators apportioned to that district;

(2) Each senate district shall at all times consist of contiguous territory;

(3) No county shall be divided in the formation of a senate district;

(4) When established, the senate districts and the apportionment of Senators shall remain unaltered until the return of another decennial census of population taken by order of Congress.

Sec. 4. *Number of Representatives.* The House of Representatives shall be composed of 120 Representatives, biennially chosen by ballot.

Sec. 5. *Representative districts; apportionment of Representatives.* The Representatives shall be elected from districts. The General Assembly, at the first regular session convening after the return of every decennial census of population taken by order of Congress, shall revise the representative districts and the apportionment of Representatives among those districts, subject to the following requirements:

(1) Each Representative shall represent, as nearly as may be, an equal number of inhabitants, the number of inhabitants that each Representative represents being determined for this purpose by dividing the population of the district that he represents by the number of Representatives apportioned to that district;

(2) Each representative district shall at all times consist of contiguous territory;

(3) No county shall be divided in the formation of a representative district;

(4) When established, the representative districts and the apportionment of Representatives shall remain unaltered until the return of another decennial census of population taken by order of Congress.

Sec. 6. *Qualifications for Senator.* Each Senator, at the time of his election, shall be not less than 25 years of age, shall be a qualified

voter of the State, and shall have resided in the State as a citizen for two years and in the district for which he is chosen for one year immediately preceding his election.

Sec. 7. *Qualifications for Representative.* Each Representative, at the time of his election, shall be a qualified voter of the State, and shall have resided in the district for which he is chosen for one year immediately preceding his election.

Sec. 8. *Elections.* The election for members of the General Assembly shall be held for the respective districts in 1972 and every two years thereafter, at the places and on the day prescribed by law.

Sec. 9. *Term of office.* The term of office of Senators and Representatives shall commence on the first day of January next after their election.

Sec. 10. *Vacancies.* Every vacancy occurring in the membership of the General Assembly by reason of death, resignation, or other cause shall be filled in the manner prescribed by law.

Sec. 11. *Sessions.*

(1) *Regular Sessions.* The General Assembly shall meet in regular session in 1973 and every two years thereafter on the day prescribed by law. Neither house shall proceed upon public business unless a majority of all of its members are actually present.

(2) *Extra sessions on legislative call.* The President of the Senate and the Speaker of the House of Representatives shall convene the General Assembly in extra session by their joint proclamation upon receipt by the President of the Senate of written requests therefor signed by three-fifths of all the members of the Senate and upon receipt by the Speaker of the House of Representatives of written requests therefor signed by three-fifths of all the members of the House of Representatives.

Sec. 12. *Oath of members.* Each member of the General Assembly, before taking his seat, shall take an oath or affirmation that he will support the Constitution and laws of the United States and the Constitution of the State of North Carolina, and will faithfully discharge his duty as a member of the Senate or House of Representatives.

Sec. 13. *President of the Senate.* The Lieutenant Governor shall be President of the Senate and shall preside over the Senate, but shall have no vote unless the Senate is equally divided.

Sec. 14. *Other officers of the Senate.*

(1) *President Pro Tempore - succession to presidency.* The Senate shall elect from its membership a President Pro Tempore, who shall become President of the Senate upon the failure of the Lieutenant Governor-elect to qualify, or upon succession by the Lieutenant Governor to the office of Governor, or upon the death, resignation, or removal from office of the President of the Senate, and who shall serve until the expiration of his term of office as Senator.

(2) *President Pro Tempore - temporary succession.* During the physical or mental incapacity of the President of the Senate to perform the duties of his office, or during the absence of the President of the Senate, the President Pro Tempore shall preside over the Senate.

(3) *Other officers.* The Senate shall elect its other officers.

Sec. 15. *Officers of the House of Representatives.* The House of Representatives shall elect its Speaker and other officers.

Sec. 16. *Compensation and allowances.* The members and officers of the General Assembly shall receive for their services the compensation and allowances prescribed by law. An increase in the compensation or allowances of members shall become effective at the beginning of the next regular session of the General Assembly following the session at which it was enacted.

Sec. 17. *Journals.* Each house shall keep a journal of its proceedings, which shall be printed and made public immediately after the adjournment of the General Assembly.

Sec. 18. *Protests.* Any member of either house may dissent from and protest against any act or resolve which he may think injurious to the public or to any individual, and have the reasons of his dissent entered on the journal.

Sec. 19. *Record votes.* Upon motion made in either house and seconded by one fifth of the members present, the yeas and nays upon any question shall be taken and entered upon the journal.

Sec. 20. *Powers of the General Assembly.* Each house shall be judge of the qualifications and elections of its own members, shall sit upon its own adjournment from day to day, and shall prepare bills to be enacted into laws. The two houses may jointly adjourn to any future day or other place. Either house may, of its own motion, adjourn for a period not in excess of three days.

Sec. 21. *Style of the acts.* The style of the acts shall be: "The General Assembly of North Carolina enacts:".

Sec. 22. *Action on bills.* All bills and resolutions of a legislative nature shall be read three times in each house before they become laws, and shall be signed by the presiding officers of both houses.

Sec. 23. *Revenue bills.* No laws shall be enacted to raise money on the credit of the State, or to pledge the faith of the State directly or indirectly for the payment of any debt, or to impose any tax upon the people of the State, or to allow the counties, cities, or towns to do so, unless the bill for the purpose shall have been read three several times in each house of the General Assembly and passed three several readings, which readings shall have been on three different days, and shall have been agreed to by each house respectively, and unless the yeas and nays on the second and third readings of the bill shall have been entered on the journal.

Sec. 24. *Limitations on local, private, and special legislation.*

(1) *Prohibited subjects.* The General Assembly shall not enact any local, private, or special act or resolution:

- (a) Relating to health, sanitation, and the abatement of nuisances;
- (b) Changing the names of cities, towns, and townships;
- (c) Authorizing the laying out, opening, altering, maintaining, or discontinuing of highways, streets, or alleys;
- (d) Relating to ferries or bridges;
- (e) Relating to non-navigable streams;
- (f) Relating to cemeteries;
- (g) Relating to the pay of jurors;

- (h) Erecting new townships, or changing township lines, or establishing or changing the lines of school districts;
- (i) Remitting fines, penalties, and forfeitures, or refunding moneys legally paid into the public treasury;
- (j) Regulating labor, trade, mining, or manufacturing;
- (k) Extending the time for the levy or collection of taxes or otherwise relieving any collector of taxes from the due performance of his official duties or his sureties from liability;
- (l) Giving effect to informal wills and deeds;
- (m) Granting a divorce or securing alimony in any individual case;
- (n) Altering the name of any person, or legitimating any person not born in lawful wedlock, or restoring to the rights of citizenship any person convicted of a felony.

(2) *Repeals.* Nor shall the General Assembly enact any such local, private, or special act by partial repeal of a general law; but the General Assembly may at any time repeal local, private, or special laws enacted by it.

(3) *Prohibited acts void.* Any local, private, or special act or resolution enacted in violation of the provisions of this Section shall be void.

(4) *General laws.* The General Assembly may enact general laws regulating the matters set out in this Section.

ARTICLE III

EXECUTIVE

Section 1. *Executive power.* The executive power of the State shall be vested in the Governor.

Sec. 2. *Governor and Lieutenant Governor: election, term, and qualifications.*

(1) *Election and term.* The Governor and Lieutenant Governor shall be elected by the qualified voters of the State in 1972 and every four years thereafter, at the same time and places as members of the

General Assembly are elected. Their term of office shall be four years and shall commence on the first day of January next after their election and continue until their successors are elected and qualified.

(2) *Qualifications.* No person shall be eligible for election to the office of Governor or Lieutenant Governor unless, at the time of his election, he shall have attained the age of 30 years and shall have been a citizen of the United States for five years and a resident of this State for two years immediately preceding his election. No person elected to the Office of Governor or Lieutenant Governor shall be eligible for election to more than two consecutive terms of the same office.

Sec. 3. *Succession to office of Governor.*

(1) *Succession as Governor.* The Lieutenant Governor-elect shall become Governor upon the failure of the Governor-elect to qualify. The Lieutenant Governor shall become Governor upon the death, resignation, or removal from office of the Governor. The further order of succession to the office of Governor shall be prescribed by law. A successor shall serve for the remainder of the term of the Governor whom he succeeds and until a new Governor is elected and qualified.

(2) *Succession as Acting Governor.* During the absence of the Governor from the State, or during the physical or mental incapacity of the Governor to perform the duties of his office, the Lieutenant Governor shall be Acting Governor. The further order of succession as Acting Governor shall be prescribed by law.

(3) *Physical incapacity.* The Governor may, by a written statement filed with the Attorney General, declare that he is physically incapable of performing the duties of his office, and may thereafter in the same manner declare that he is physically capable of performing the duties of his office.

(4) *Mental incapacity.* The mental incapacity of the Governor to perform the duties of his office shall be determined only by joint resolution adopted by a vote of two-thirds of all the members of each house of the General Assembly. Thereafter, the mental capacity of the Governor to perform the duties of his office shall be determined only by joint resolution adopted by a vote of a majority of all the members of each house of the General Assembly. In all cases, the General Assembly shall give the Governor such notice as it may deem proper and shall allow him an opportunity to be heard before a joint

session of the General Assembly before it takes final action. When the General Assembly is not in session, the Council of State, a majority of its members concurring, may convene it in extra session for the purpose of proceeding under this paragraph.

(5) *Impeachment.* Removal of the Governor from office for any other cause shall be by impeachment.

Sec. 4. *Oath of office for Governor.* The Governor, before entering upon the duties of his office, shall, before any Justice of the Supreme Court, take an oath or affirmation that he will support the Constitution and laws of the United States and of the State of North Carolina, and that he will faithfully perform the duties pertaining to the office of governor.

Sec. 5. *Duties of Governor.*

(1) *Residence.* The Governor shall reside at the seat of government of this State.

(2) *Information to General Assembly.* The Governor shall from time to time give the General Assembly information of the affairs of the State and recommend to their consideration such measures as he shall deem expedient.

(3) *Budget.* The Governor shall prepare and recommend to the General Assembly a comprehensive budget of the anticipated revenue and proposed expenditures of the State for the ensuing fiscal period. The budget as enacted by the General Assembly shall be administered by the Governor.

The total expenditures of the State for the fiscal period covered by the budget shall not exceed the total of receipts during that fiscal period and the surplus remaining in the State Treasury at the beginning of the period. To insure that the State does not incur a deficit for any fiscal period, the Governor shall continually survey the collection of the revenue and shall effect the necessary economies in State expenditures, after first making adequate provision for the prompt payment of the principal of and interest on bonds and notes of the State according to their terms, whenever he determines that receipts during the fiscal period, when added to any surplus remaining in the State Treasury at the beginning of the period, will not be sufficient to meet budgeted expenditures. This section shall not be construed to impair the power of the State to issue its bonds and notes within the limitations imposed in Article V of this Constitution, nor to

impair the obligation of bonds and notes of the State now outstanding or issued hereafter.

(4) *Execution of laws.* The Governor shall take care that the laws be faithfully executed.

(5) *Commander in Chief.* The Governor shall be Commander in Chief of the military forces of the State except when they shall be called into the service of the United States.

(6) *Clemency.* The Governor may grant reprieves, commutations, and pardons, after conviction, for all offenses (except in cases of impeachment), upon such conditions as he may think proper, subject to regulations prescribed by law relative to the manner of applying for pardons. The terms reprieves, commutations, and pardons shall not include paroles.

(7) *Extra sessions.* The Governor may, on extraordinary occasions, by and with the advice of the Council of State, convene the General Assembly in extra session by his proclamation, stating therein the purpose or purposes for which they are thus convened.

(8) *Appointments.* The Governor shall nominate and by and with the advice and consent of a majority of the Senators appoint all officers whose appointments are not otherwise provided for.

(9) *Information.* The Governor may at any time require information in writing from the head of any administrative department or agency upon any subject relating to the duties of his office.

(10) *Administrative reorganization.* The General Assembly shall prescribe the functions, powers, and duties of the administrative departments and agencies of the State and may alter them from time to time, but the Governor may make such changes in the allocation of offices and agencies and in the allocation of those functions, powers, and duties as he considers necessary for efficient administration. If those changes affect existing law, they shall be set forth in executive orders, which shall be submitted to the General Assembly not later than the sixtieth calendar day of its session, and shall become effective and shall have the force of law upon adjournment sine die of the session, unless specifically disapproved by resolution of either house of the General Assembly or specifically modified by joint resolution of both houses of the General Assembly.

Sec. 6. *Duties of the Lieutenant Governor.* The Lieutenant Governor shall be President of the Senate, but shall have no vote unless the Senate is equally divided. He shall perform such additional duties as the General Assembly or the Governor may assign to him. He shall receive the compensation and allowances prescribed by law.

Sec. 7. *Other elective officers.*

(1) *Officers.* A Secretary of State, an Auditor, a Treasurer, a Superintendent of Public Instruction, an Attorney General, a Commissioner of Agriculture, a Commissioner of Labor, and a Commissioner of Insurance shall be elected by the qualified voters of the State in 1972 and every four years thereafter, at the same time and places as members of the General Assembly are elected. Their term of office shall be four years and shall commence on the first day of January next after their election and continue until their successors are elected and qualified.

(2) *Duties.* Their respective duties shall be prescribed by law.

(3) *Vacancies.* If the office of any of these officers is vacated by death, resignation, or otherwise, it shall be the duty of the Governor to appoint another to serve until his successor is elected and qualified. Every such vacancy shall be filled by election at the first election for members of the General Assembly that occurs more than 60 days after the vacancy has taken place, and the person chosen shall hold the office for the remainder of the unexpired term fixed in this Section. When a vacancy occurs in the office of any of the officers named in this Section and the term expires on the first day of January succeeding the next election for members of the General Assembly, the Governor shall appoint to fill the vacancy for the unexpired term of the office.

(4) *Interim officers.* Upon the occurrence of a vacancy in the office of any one of these officers for any of the causes stated in the preceding paragraph, the Governor may appoint an interim officer to perform the duties of that office until a person is appointed or elected pursuant to this Section to fill the vacancy and is qualified.

(5) *Acting officers.* During the physical or mental incapacity of any one of these officers to perform the duties of his office, as determined pursuant to this Section, the duties of his office shall be performed by an acting officer who shall be appointed by the Governor.

(6) *Determination of incapacity.* The General Assembly shall by law prescribe with respect to those officers, other than the Governor, whose offices are created by this Article, procedures for determining the physical or mental incapacity of any officer to perform the duties of his office, and for determining whether an officer who has been temporarily incapacitated has sufficiently recovered his physical or mental capacity to perform the duties of his office. Removal of those officers from office for any other cause shall be by impeachment.

(7) *Special Qualifications for Attorney General.* Only persons duly authorized to practice law in the courts of this State shall be eligible for appointment or election as Attorney General.

Sec. 8. *Council of State.* The Council of State shall consist of the officers whose offices are established by this Article.

Sec. 9. *Compensation and allowances.* The officers whose offices are established by this Article shall at stated periods receive the compensation and allowances prescribed by law, which shall not be diminished during the time for which they have been chosen.

Sec. 10. *Seal of State.* There shall be a seal of the State, which shall be kept by the Governor and used by him as occasion may require, and shall be called "The Great Seal of the State of North Carolina". All grants or commissions shall be issued in the name and by the authority of the State of North Carolina, sealed with "The Great Seal of the State of North Carolina", and signed by the Governor.

Sec. 11. *Administrative departments.* Not later than July 1, 1975, all administrative departments, agencies, and offices of the State and their respective functions, powers, and duties shall be allocated by law among and within not more than 25 principal administrative departments so as to group them as far as practicable according to major purposes. Regulatory, quasi-judicial, and temporary agencies may, but need not, be allocated within a principal department.

ARTICLE IV

JUDICIAL

Section 1. *Judicial power.* The judicial power of the State shall, except as provided in Section 3 of this Article, be vested in a Court for the Trial of Impeachments and in a General Court of Justice. The General Assembly shall have no power to deprive the judicial

department of any power or jurisdiction that rightfully pertains to it as a coordinate department of the government, nor shall it establish or authorize any courts other than as permitted by this Article.

Sec. 2. *General Court of Justice.* The General Court of Justice shall constitute a unified judicial system for purposes of jurisdiction, operation, and administration, and shall consist of an Appellate Division, a Superior Court Division, and a District Court Division.

Sec. 3. *Judicial powers of administrative agencies.* The General Assembly may vest in administrative agencies established pursuant to law such judicial powers as may be reasonably necessary as an incident to the accomplishment of the purposes for which the agencies were created. Appeals from administrative agencies shall be to the General Court of Justice.

Sec. 4. *Court for the Trial of Impeachments.* The House of Representatives solely shall have the power of impeaching. The Court for the Trial of Impeachments shall be the Senate. When the Governor or Lieutenant Governor is impeached, the Chief Justice shall preside over the Court. A majority of members shall be necessary to a quorum, and no person shall be convicted without the concurrence of two-thirds of the Senators present. Judgment upon conviction shall not extend beyond removal from and disqualification to hold office in this State, but the party shall be liable to indictment and punishment according to law.

Sec. 5. *Appellate division.* The Appellate Division of the General Court of Justice shall consist of the Supreme Court and the Court of Appeals.

Sec. 6. *Supreme Court.*

(1) *Membership.* The Supreme Court shall consist of a Chief Justice and six Associate Justices, but the General Assembly may increase the number of Associate Justices to not more than eight. In the event the Chief Justice is unable, on account of absence or temporary incapacity, to perform any of the duties placed upon him, the senior Associate Justice available may discharge these duties.

(2) *Sessions of the Supreme Court.* The sessions of the Supreme Court shall be held in the City of Raleigh unless otherwise provided by the General Assembly.

Sec. 7. *Court of Appeals.* The structure, organization, and composition of the Court of Appeals shall be determined by the General Assembly. The Court shall have not less than five members, and may be authorized to sit in divisions, or other than en banc. Sessions of the Court shall be held at such times and places as the General Assembly may prescribe.

Sec. 8. *Retirement of Justices and Judges.* The General Assembly shall provide by general law for the retirement of Justices and Judges of the General Court of Justice, and may provide for the temporary recall of any retired Justice or Judge to serve on the court or courts of the division from which he was retired. The General Assembly shall also prescribe maximum age limits for service as a Justice or Judge.

Sec. 9. *Superior Courts.*

(1) *Superior Court districts.* The General Assembly shall, from time to time, divide the State into a convenient number of Superior Court judicial districts and shall provide for the election of one or more Superior Court Judges for each district. Each regular Superior Court Judge shall reside in the district for which he is elected. The General Assembly may provide by general law for the selection or appointment of special or emergency Superior Court Judges not selected for a particular judicial district.

(2) *Open at all times; sessions for trial of cases.* The Superior Courts shall be open at all times for the transaction of all business except the trial of issues of fact requiring a jury. Regular trial sessions of the Superior Court shall be held at times fixed pursuant to a calendar of courts promulgated by the Supreme Court. At least two sessions for the trial of jury cases shall be held annually in each county.

(3) *Clerks.* A Clerk of the Superior Court for each county shall be elected for a term of four years by the qualified voters thereof, at the same time and places as members of the General Assembly are elected. If the office of Clerk of the Superior Court becomes vacant otherwise than by the expiration of the term, or if the people fail to elect, the senior regular resident Judge of the Superior Court serving the county shall appoint to fill the vacancy until an election can be regularly held.

Sec. 10. *District Courts.* The General Assembly shall, from time to time, divide the State into a convenient number of local court districts and shall prescribe where the District Courts shall sit, but a District

Court must sit in at least one place in each county. District Judges shall be elected for each district for a term of four years, in a manner prescribed by law. When more than one District Judge is authorized and elected for a district, the Chief Justice of the Supreme Court shall designate one of the judges as Chief District Judge. Every District Judge shall reside in the district for which he is elected. For each county, the senior regular resident Judge of the Superior Court serving the county shall appoint for a term of two years, from nominations submitted by the Clerk of the Superior Court of the county, one or more Magistrates who shall be officers of the District Court. The number of District Judges and Magistrates shall, from time to time, be determined by the General Assembly. Vacancies in the office of District Judge shall be filled for the unexpired term in a manner prescribed by law. Vacancies in the office of Magistrate shall be filled for the unexpired term in the manner provided for original appointment to the office.

Sec. 11. *Assignment of Judges.* The Chief Justice of the Supreme Court, acting in accordance with rules of the Supreme Court, shall make assignments of Judges of the Superior Court and may transfer District Judges from one district to another for temporary or specialized duty. The principle of rotating Superior Court Judges among the various districts of a division is a salutary one and shall be observed. For this purpose the General Assembly may divide the State into a number of judicial divisions. Subject to the general supervision of the Chief Justice of the Supreme Court, assignment of District Judges within each local court district shall be made by the Chief District Judge.

Sec. 12. *Jurisdiction of the General Court of Justice.*

(1) *Supreme Court.* The Supreme Court shall have jurisdiction to review upon appeal any decision of the courts below, upon any matter of law or legal inference. The jurisdiction of the Supreme Court over "issues of fact" and "questions of fact" shall be the same exercised by it prior to the adoption of this Article, and the Court may issue any remedial writs necessary to give it general supervision and control over the proceedings of the other courts. The Supreme Court also has jurisdiction to review, when authorized by law, direct appeals from a final order or decision of the North Carolina Utilities Commission.

(2) *Court of Appeals.* The Court of Appeals shall have such appellate jurisdiction as the General Assembly may prescribe.

(3) *Superior Court.* Except as otherwise provided by the General Assembly, the Superior Court shall have original general jurisdiction throughout the State. The Clerks of the Superior Court shall have such jurisdiction and powers as the General Assembly shall prescribe by general law uniformly applicable in every county of the State.

(4) *District Courts; Magistrates.* The General Assembly shall, by general law uniformly applicable in every local court district of the State, prescribe the jurisdiction and powers of the District Courts and Magistrates.

(5) *Waiver.* The General Assembly may by general law provide that the jurisdictional limits may be waived in civil cases.

(6) *Appeals.* The General Assembly shall by general law provide a proper system of appeals. Appeals from Magistrates shall be heard de novo, with the right of trial by jury as defined in this Constitution and the laws of this State.

Sec. 13. *Forms of action; rules of procedure.*

(1) *Forms of action.* There shall be in this State but one form of action for the enforcement or protection of private rights or the redress of private wrongs, which shall be denominated a civil action, and in which there shall be a right to have issues of fact tried before a jury. Every action prosecuted by the people of the State as a party against a person charged with a public offense, for the punishment thereof, shall be termed a criminal action.

(2) *Rules of procedure.* The Supreme Court shall have exclusive authority to make rules of procedure and practice for the Appellate Division. The General Assembly may make rules of procedure and practice for the Superior Court and District Court Divisions, and the General Assembly may delegate this authority to the Supreme Court. No rule of procedure or practice shall abridge substantive rights or abrogate or limit the right of trial by jury. If the General Assembly should delegate to the Supreme Court the rule-making power, the General Assembly may, nevertheless, alter, amend, or repeal any rule of procedure or practice adopted by the Supreme Court for the Superior Court or District Court Divisions.

Sec. 14. *Waiver of jury trial.* In all issues of fact joined in any court, the parties in any civil case may waive the right to have the issues determined by a jury, in which case the finding of the judge upon the facts shall have the force and effect of a verdict by a jury.

Sec. 15. *Administration.* The General Assembly shall provide for an administrative office of the courts to carry out the provisions of this Article.

Sec. 16. *Terms of office and election of Justices of the Supreme Court, Judges of the Court of Appeals, and Judges of the Superior Court.* Justices of the Supreme Court, Judges of the Court of Appeals, and regular Judges of the Superior Court shall be elected by the qualified voters and shall hold office for terms of eight years and until their successors are elected and qualified. Justices of the Supreme Court and Judges of the Court of Appeals shall be elected by the qualified voters of the State. Regular Judges of the Superior Court may be elected by the qualified voters of the State or by the voters of their respective districts, as the General Assembly may prescribe.

Sec. 17. *Removal of Judges, Magistrates and Clerks.*

(1) *Removal of Judges by the General Assembly.* Any Justice or Judge of the General Court of Justice may be removed from office for mental or physical incapacity by joint resolution of two-thirds of all the members of each house of the General Assembly. Any Justice or Judge against whom the General Assembly may be about to proceed shall receive notice thereof, accompanied by a copy of the causes alleged for his removal, at least 20 days before the day on which either house of the General Assembly shall act thereon. Removal from office by the General Assembly for any other cause shall be by impeachment.

(2) *Additional method of removal of Judges.* The General Assembly shall prescribe a procedure, in addition to impeachment and address set forth in this Section, for the removal of a Justice or Judge of the General Court of Justice for mental or physical incapacity interfering with the performance of his duties which is, or is likely to become, permanent, and for the censure and removal of a Justice or Judge of the General Court of Justice for wilful misconduct in office, wilful and persistent failure to perform his duties, habitual intemperance, conviction of a crime involving moral turpitude, or conduct prejudicial to the administration of justice that brings the judicial office into disrepute.

(3) *Removal of Magistrates.* The General Assembly shall provide by general law for the removal of Magistrates for misconduct or mental or physical incapacity.

(4) *Removal of Clerks.* Any Clerk of the Superior Court may be removed from office for misconduct or mental or physical incapacity by the senior regular resident Superior Court Judge serving the county. Any Clerk against whom proceedings are instituted shall receive written notice of the charges against him at least 10 days before the hearing upon the charges. Any Clerk so removed from office shall be entitled to an appeal as provided by law.

Sec. 18. *District Attorney and Prosecutorial Districts.*

(1) *District Attorneys.* The General Assembly shall, from time to time, divide the State into a convenient number of prosecutorial districts, for each of which a District Attorney shall be chosen for a term of four years by the qualified voters thereof, at the same time and places as members of the General Assembly are elected. Only persons duly authorized to practice law in the courts of this State shall be eligible for election or appointment as a District Attorney. The District Attorney shall advise the officers of justice in his district, be responsible for the prosecution on behalf of the State of all criminal actions in the Superior Courts of his district, perform such duties related to appeals therefrom as the Attorney General may require, and perform such other duties as the General Assembly may prescribe.

(2) *Prosecution in District Court Division.* Criminal actions in the District Court Division shall be prosecuted in such manner as the General Assembly may prescribe by general law uniformly applicable in every local court district of the State.

Sec. 19. *Vacancies.* Unless otherwise provided in this Article, all vacancies occurring in the offices provided for by this Article shall be filled by appointment of the Governor, and the appointees shall hold their places until the next election for members of the General Assembly that is held more than 60 days after the vacancy occurs, when elections shall be held to fill the offices. When the unexpired term of any of the offices named in this Article of the Constitution in which a vacancy has occurred, and in which it is herein provided that the Governor shall fill the vacancy, expires on the first day of January succeeding the next election for members of the General Assembly, the Governor shall appoint to fill that vacancy for the unexpired term of the office. If any person elected or appointed to any of these offices shall fail to qualify, the office shall be appointed to, held and filled as provided in case of vacancies occurring therein. All incumbents of these offices shall hold until their successors are qualified.

Sec. 20. *Revenues and expenses of the judicial department.* The General Assembly shall provide for the establishment of a schedule of court fees and costs which shall be uniform throughout the State within each division of the General Court of Justice. The operating expenses of the judicial department, other than compensation to process servers and other locally paid non-judicial officers, shall be paid from State funds.

Sec. 21. *Fees, salaries and emoluments.* The General Assembly shall prescribe and regulate the fees, salaries, and emoluments of all officers provided for in this Article, but the salaries of Judges shall not be diminished during their continuance in office. In no case shall the compensation of any Judge or Magistrate be dependent upon his decision or upon the collection of costs.

Sec. 22. *Qualification of Justices and Judges.* Only persons duly authorized to practice law in the courts of this State shall be eligible for election or appointment as a Justice of the Supreme Court, Judge of the Court of Appeals, Judge of the Superior Court, or Judge of District Court. This section shall not apply to persons elected to or serving in such capacities on or before January 1, 1981.

ARTICLE V

FINANCE

Section 1. *No capitation tax to be levied.* No poll or capitation tax shall be levied by the General Assembly or by any county, city or town, or other taxing unit.

Sec. 2. *State and local taxation.*

(1) *Power of taxation.* The power of taxation shall be exercised in a just and equitable manner, for public purposes only, and shall never be surrendered, suspended, or contracted away.

(2) *Classification.* Only the General Assembly shall have the power to classify property for taxation, which power shall be exercised only on a State-wide basis and shall not be delegated. No class of property shall be taxed except by uniform rule, and every classification shall be made by general law uniformly applicable in every county, city and town, and other unit of local government.

(3) *Exemptions.* Property belonging to the State, counties, and municipal corporations shall be exempt from taxation. The General

Assembly may exempt cemeteries and property held for educational, scientific, literary, cultural, charitable, or religious purposes, and, to a value not exceeding \$300, any personal property. The General Assembly may exempt from taxation not exceeding \$1,000 in value of property held and used as the place of residence of the owner. Every exemption shall be on a State-wide basis and shall be made by general law uniformly applicable in every county, city and town, and other unit of local government. No taxing authority other than the General Assembly may grant exemptions, and the General Assembly shall not delegate the powers accorded to it by this subsection.

(4) *Special tax areas.* Subject to the limitations imposed by Section 4, the General Assembly may enact general laws authorizing the governing body of any county, city, or town to define territorial areas and to levy taxes within those areas, in addition to those levied throughout the county, city, or town, in order to finance, provide, or maintain services, facilities, and functions in addition to or to a greater extent than those financed, provided, or maintained for the entire county, city, or town.

(5) *Purposes of property tax.* The General Assembly shall not authorize any county, city or town, special district, or other unit of local government to levy taxes on property, except for purposes authorized by general law uniformly applicable throughout the State, unless the tax is approved by a majority of the qualified voters of the unit who vote thereon.

(6) *Income tax.* The rate of tax on incomes shall not in any case exceed ten percent, and there shall be allowed personal exemptions and deductions so that only net incomes are taxed.

(7) *Contracts.* The General Assembly may enact laws whereby the State, any county, city or town, and any other public corporation may contract with and appropriate money to any person, association, or corporation for the accomplishment of public purposes only.

Sec. 3. *Limitations upon the increase of State debt.*

(1) *Authorized purposes; two-thirds limitation.* The General Assembly shall have no power to contract debts secured by a pledge of the faith and credit of the State, unless approved by a majority of the qualified voters of the State who vote thereon, except for the following purposes:

- (a) to fund or refund a valid existing debt;

- (b) to supply an unforeseen deficiency in the revenue;
- (c) to borrow in anticipation of the collection of taxes due and payable within the current fiscal year to an amount not exceeding 50 per cent of such taxes;
- (d) to suppress riots or insurrections, or to repel invasions;
- (e) to meet emergencies immediately threatening the public health or safety, as conclusively determined in writing by the Governor;
- (f) for any other lawful purpose, to the extent of two-thirds of the amount by which the State's outstanding indebtedness shall have been reduced during the next preceding biennium.

(2) *Gift or loan of credit regulated.* The General Assembly shall have no power to give or lend the credit of the State in aid of any person, association, or corporation, except a corporation in which the State has a controlling interest, unless the subject is submitted to a direct vote of the people of the State, and is approved by a majority of the qualified voters who vote thereon.

(3) *Definitions.* A debt is incurred within the meaning of this Section when the State borrows money. A pledge of the faith and credit within the meaning of this Section is a pledge of the taxing power. A loan of credit within the meaning of this Section occurs when the State exchanges its obligations with or in any way guarantees the debts of an individual, association, or private corporation.

(4) *Certain debts barred.* The General Assembly shall never assume or pay any debt or obligation, express or implied, incurred in aid of insurrection or rebellion against the United States. Neither shall the General Assembly assume or pay any debt or bond incurred or issued by authority of the Convention of 1868, the special session of the General Assembly of 1868, or the General Assemblies of 1868-69 and 1869-70, unless the subject is submitted to the people of the State and is approved by a majority of all the qualified voters at a referendum held for that sole purpose.

(5) *Outstanding debt.* Except as provided in subsection (4), nothing in this Section shall be construed to invalidate or impair the obligation of any bond, note, or other evidence of indebtedness outstanding or authorized for issue as of July 1, 1973.

Sec. 4. *Limitations upon the increase of local government debt.*

(1) *Regulation of borrowing and debt.* The General Assembly shall enact general laws relating to the borrowing of money secured by a pledge of the faith and credit and the contracting of other debts by counties, cities and towns, special districts, and other units, authorities, and agencies of local government.

(2) *Authorized purposes; two-thirds limitation.* The General Assembly shall have no power to authorize any county, city or town, special district, or other unit of local government to contract debts secured by a pledge of its faith and credit unless approved by a majority of the qualified voters of the unit who vote thereon, except for the following purposes:

- (a) to fund or refund a valid existing debt;
- (b) to supply an unforeseen deficiency in the revenue;
- (c) to borrow in anticipation of the collection of taxes due and payable within the current fiscal year to an amount not exceeding 50 per cent of such taxes;
- (d) to suppress riots or insurrections;
- (e) to meet emergencies immediately threatening the public health or safety, as conclusively determined in writing by the Governor;
- (f) for purposes authorized by general laws uniformly applicable throughout the State, to the extent of two-thirds of the amount by which the unit's outstanding indebtedness shall have been reduced during the next preceding fiscal year.

(3) *Gift or loan of credit regulated.* No county, city or town, special district, or other unit of local government shall give or lend its credit in aid of any person, association, or corporation, except for public purposes as authorized by general law, and unless approved by a majority of the qualified voters of the unit who vote thereon.

(4) *Certain debts barred.* No county, city or town, or other unit of local government shall assume or pay any debt or the interest thereon contracted directly or indirectly in aid or support of rebellion or insurrection against the United States.

(5) *Definitions.* A debt is incurred within the meaning of this Section when a county, city or town, special district, or other unit, authority, or agency of local government borrows money. A pledge of faith and credit within the meaning of this Section is a pledge of the

taxing power. A loan of credit within the meaning of this Section occurs when a county, city or town, special district, or other unit, authority, or agency of local government exchanges its obligations with or in any way guarantees the debts of an individual, association, or private corporation.

(6) *Outstanding debt.* Except as provided in subsection (4), nothing in this Section shall be construed to invalidate or impair the obligation of any bond, note, or other evidence of indebtedness outstanding or authorized for issue as of July 1, 1973.

Sec. 5. *Acts levying taxes to state objects.* Every act of the General Assembly levying a tax shall state the special object to which it is to be applied, and it shall be applied to no other purpose.

Sec. 6. *Inviolability of sinking funds and retirement funds.*

(1) *Sinking funds.* The General Assembly shall not use or authorize to be used any part of the amount of any sinking fund for any purpose other than the retirement of the bonds for which the sinking fund has been created, except that these funds may be invested as authorized by law.

(2) *Retirement funds.* Neither the General Assembly nor any public officer, employee, or agency shall use or authorize to be used any part of the funds of the Teachers' and State Employees' Retirement System or the Local Governmental Employees' Retirement System for any purpose other than retirement system benefits and purposes, administrative expenses, and refunds; except that retirement system funds may be invested as authorized by law, subject to the investment limitation that the funds of the Teachers' and State Employees' Retirement System and the Local Governmental Employees' Retirement System shall not be applied, diverted, loaned to, or used by the State, any State agency, State officer, public officer, or public employee.

Sec. 7. *Drawing public money.*

(1) *State treasury.* No money shall be drawn from the State treasury but in consequence of appropriations made by law, and an accurate account of the receipts and expenditures of State funds shall be published annually.

(2) *Local treasury.* No money shall be drawn from the treasury of any county, city or town, or other unit of local government except by authority of law.

Sec. 8. *Health care facilities.* Notwithstanding any other provisions of this Constitution, the General Assembly may enact general laws to authorize the State, counties, cities or towns, and other State and local governmental entities to issue revenue bonds to finance or refinance for any such governmental entity or any nonprofit private corporation, regardless of any church or religious relationship, the cost of acquiring, constructing, and financing health care facility projects to be operated to serve and benefit the public; provided, no cost incurred earlier than two years prior to the effective date of this section shall be refinanced. Such bonds shall be payable from the revenues, gross or net, of any such projects and any other health care facilities of any such governmental entity or nonprofit private corporation pledged therefor; shall not be secured by a pledge of the full faith and credit, or deemed to create an indebtedness requiring voter approval of any governmental entity; and may be secured by an agreement which may provide for the conveyance of title of, with or without consideration, any such project or facilities to the governmental entity or nonprofit private corporation. The power of eminent domain shall not be used pursuant hereto for nonprofit private corporations.

Sec. 9. *Capital projects for industry.* Notwithstanding any other provision of this Constitution, the General Assembly may enact general laws to authorize counties to create authorities to issue revenue bonds to finance, but not to refinance, the cost of capital projects consisting of industrial, manufacturing and pollution control facilities for industry and pollution control facilities for public utilities, and to refund such bonds.

In no event shall such revenue bonds be secured by or payable from any public moneys whatsoever, but such revenue bonds shall be secured by and payable only from revenues or property derived from private parties. All such capital projects and all transactions therefor shall be subject to taxation to the extent such projects and transactions would be subject to taxation if no public body were involved therewith; provided, however, that the General Assembly may provide that the interest on such revenue bonds shall be exempt from income taxes within the State.

The power of eminent domain shall not be exercised to provide any property for any such capital project.

Sec. 10. *Joint ownership of generation and transmission facilities.* In addition to other powers conferred upon them by law, municipalities owning or operating facilities for the generation, transmission or distribution of electric power and energy and joint agencies formed by such municipalities for the purpose of owning or operating facilities for the generation and transmission of electric power and energy (each, respectively, "a unit of municipal government") may jointly or severally own, operate and maintain works, plants and facilities, within or without the State, for the generation and transmission of electric power and energy, or both, with any person, firm, association or corporation, public or private, engaged in the generation, transmission or distribution of electric power and energy for resale (each, respectively, "a co-owner") within this State or any state contiguous to this State, and may enter into and carry out agreements with respect to such jointly owned facilities. For the purpose of financing its share of the cost of any such jointly owned electric generation or transmission facilities, a unit of municipal government may issue its revenue bonds in the manner prescribed by the General Assembly, payable as to both principal and interest solely from and secured by a lien and charge on all or any part of the revenue derived, or to be derived, by such unit of municipal government from the ownership and operation of its electric facilities; provided, however, that no unit of municipal government shall be liable, either jointly or severally, for any acts, omissions or obligations of any co-owner, nor shall any money or property of any unit of municipal government be credited or otherwise applied to the account of any co-owner or be charged with any debt, lien or mortgage as a result of any debt or obligation of any co-owner.

Sec. 11. *Capital projects for agriculture.* Notwithstanding any other provision of the Constitution the General Assembly may enact general laws to authorize the creation of an agency to issue revenue bonds to finance the cost of capital projects consisting of agricultural facilities, and to refund such bonds.

In no event shall such revenue bonds be secured by or payable from any public moneys whatsoever, but such revenue bonds shall be secured by and payable only from revenue or property derived from private parties. All such capital projects and all transactions therefor shall be subject to taxation to the extent such projects and transactions would be subject to taxation if no public body were involved therewith; provided, however, that the General Assembly may provide that the interest on such revenue bonds shall be exempt from income taxes within the State.

The power of eminent domain shall not be exercised to provide any property for any such capital project.

Sec. 12. *Higher Education Facilities.* Notwithstanding any other provisions of this Constitution, the General Assembly may enact general laws to authorize the State or any State entity to issue revenue bonds to finance and refinance the cost of acquiring, constructing, and financing higher education facilities to be operated to serve and benefit the public for any nonprofit private corporation, regardless of any church or religious relationship provided no cost incurred earlier than five years prior to the effective date of this section shall be refinanced. Such bonds shall be payable from any revenues or assets of any such nonprofit private corporation pledged therefor, shall not be secured by a pledge of the full faith and credit of the State or such State entity or deemed to create an indebtedness requiring voter approval of the State or such entity, and, where the title to such facilities is vested in the State or any State entity, may be secured by an agreement which may provide for the conveyance of title to, with or without consideration, such facilities to the nonprofit private corporation. The power of eminent domain shall not be used pursuant hereto.

Sec. 13. *Seaport and airport facilities.*(1) Notwithstanding any other provisions of this Constitution, the General Assembly may enact general laws to grant to the State, counties, municipalities, and other State and local governmental entities all powers useful in connection with the development of new and existing seaports and airports, and to authorize such public bodies.

- (a) To acquire, construct, own, own jointly with public and private parties, lease as lessee, mortgage, sell, lease as lessor, or otherwise dispose of lands and facilities and improvements, including undivided interest therein;
- (b) To finance and refinance for public and private parties seaport and airport facilities and improvements which relate to, develop or further waterborne or airborne commerce and cargo and passenger traffic, including commercial, industrial, manufacturing, processing, mining, transportation, distribution, storage, marine, aviation and environmental facilities and improvements; and
- (c) To secure any such financing or refinancing by all or any portion of their revenues, income or assets or other available monies associated with any of their seaport or airport facilities

and with the facilities and improvements to be financed or refinanced, and by foreclosable liens on all or any part of their properties associated with any of their seaport or airport facilities and with the facilities and improvements to be financed or refinanced, but in no event to create a debt secured by a pledge of the faith and credit of the State or any other public body in the State.

ARTICLE VI

SUFFRAGE AND ELIGIBILITY TO OFFICE

Section 1. *Who may vote.* Every person born in the United States and every person who has been naturalized, 18 years of age, and possessing the qualifications set out in this Article, shall be entitled to vote at any election by the people of the State, except as herein otherwise provided.

Sec. 2. *Qualifications of voter.*

(1) *Residence period for State elections.* Any person who has resided in the State of North Carolina for one year and in the precinct, ward, or other election district for 30 days next preceding an election, and possesses the other qualifications set out in this Article, shall be entitled to vote at any election held in this State. Removal from one precinct, ward, or other election district to another in this State shall not operate to deprive any person of the right to vote in the precinct, ward, or other election district from which that person has removed until 30 days after the removal.

(2) *Residence period for presidential elections.* The General Assembly may reduce the time of residence for persons voting in presidential elections. A person made eligible by reason of a reduction in time of residence shall possess the other qualifications set out in this Article, shall only be entitled to vote for President and Vice President of the United States or for electors for President and Vice President, and shall not thereby become eligible to hold office in this State.

(3) *Disqualification of felon.* No person adjudged guilty of a felony against this State or the United States, or adjudged guilty of a felony in another state that also would be a felony if it had been committed in this State, shall be permitted to vote unless that person shall be first restored to the rights of citizenship in the manner prescribed by law.

Sec. 3. *Registration.* Every person offering to vote shall be at the time legally registered as a voter as herein prescribed and in the manner provided by law. The General Assembly shall enact general laws governing the registration of voters.

Sec. 4. *Qualification for registration.* Every person presenting himself for registration shall be able to read and write any section of the Constitution in the English language.

Sec. 5. *Elections by people and General Assembly.* All elections by the people shall be by ballot, and all elections by the General Assembly shall be viva voce. A contested election for any office established by Article III of this Constitution shall be determined by joint ballot of both houses of the General Assembly in the manner prescribed by law.

Sec. 6. *Eligibility to elective office.* Every qualified voter in North Carolina who is 21 years of age, except as in this Constitution disqualified, shall be eligible for election by the people to office.

Sec. 7. *Oath.* Before entering upon the duties of an office, a person elected or appointed to the office shall take and subscribe the following oath:

"I,, do solemnly swear (or affirm) that I will support and maintain the Constitution and laws of the United States, and the Constitution and laws of North Carolina not inconsistent therewith, and that I will faithfully discharge the duties of my office as, so help me God."

Sec. 8. *Disqualifications for office.* The following persons shall be disqualified for office:

First, any person who shall deny the being of Almighty God.

Second, with respect to any office that is filled by election by the people, any person who is not qualified to vote in an election for that office.

Third, any person who has been adjudged guilty of treason or any other felony against this State or the United States, or any person who has been adjudged guilty of a felony in another state that also would be a felony if it had been committed in this State, or any person who has been adjudged guilty of corruption or malpractice in any office, or any person who has been removed by impeachment from any office,

and who has not been restored to the rights of citizenship in the manner prescribed by law.

Sec. 9. *Dual office holding.*

(1) *Prohibitions.* It is salutary that the responsibilities of self-government be widely shared among the citizens of the State and that the potential abuse of authority inherent in the holding of multiple offices by an individual be avoided. Therefore, no person who holds any office or place of trust or profit under the United States or any department thereof, or under any other state or government, shall be eligible to hold any office in this State that is filled by election by the people. No person shall hold concurrently any two offices in this State that are filled by election of the people. No person shall hold concurrently any two or more appointive offices or places of trust or profit, or any combination of elective and appointive offices or places of trust or profit, except as the General Assembly shall provide by general law.

(2) *Exceptions.* The provisions of this Section shall not prohibit any officer of the military forces of the State or of the United States not on active duty for an extensive period of time, any notary public, or any delegate to a Convention of the People from holding concurrently another office or place of trust or profit under this State or the United States or any department thereof.

Sec. 10. *Continuation in office.* In the absence of any contrary provision, all officers in this State, whether appointed or elected, shall hold their positions until other appointments are made or, if the offices are elective, until their successors are chosen and qualified.

ARTICLE VII

LOCAL GOVERNMENT

Section 1. *General Assembly to provide for local government.* The General Assembly shall provide for the organization and government and the fixing of boundaries of counties, cities and towns, and other governmental subdivisions, and, except as otherwise prohibited by this Constitution, may give such powers and duties to counties, cities and towns, and other governmental subdivisions as it may deem advisable.

The General Assembly shall not incorporate as a city or town, nor shall it authorize to be incorporated as a city or town, any territory lying within one mile of the corporate limits of any other city or town

having a population of 5,000 or more according to the most recent decennial census of population taken by order of Congress, or lying within three miles of the corporate limits of any other city or town having a population of 10,000 or more according to the most recent decennial census of population taken by order of Congress, or lying within four miles of the corporate limits of any other city or town having a population of 25,000 or more according to the most recent decennial census of population taken by order of Congress, or lying within five miles of the corporate limits of any other city or town having a population of 50,000 or more according to the most recent decennial census of population taken by order of Congress. Notwithstanding the foregoing limitations, the General Assembly may incorporate a city or town by an act adopted by vote of three-fifths of all the members of each house.

Sec. 2. *Sheriffs.* In each county a Sheriff shall be elected by the qualified voters thereof at the same time and places as members of the General Assembly are elected and shall hold his office for a period of four years, subject to removal for cause as provided by law.

Sec. 3. *Merged or consolidated counties.* Any unit of local government formed by the merger or consolidation of a county or counties and the cities and towns therein shall be deemed both a county and a city for the purposes of this Constitution, and may exercise any authority conferred by law on counties, or on cities and towns, or both, as the General Assembly may provide.

ARTICLE VIII

CORPORATIONS

Section 1. *Corporate charters.* No corporation shall be created, nor shall its charter be extended, altered, or amended by special act, except corporations for charitable, educational, penal, or reformatory purposes that are to be and remain under the patronage and control of the State; but the General Assembly shall provide by general laws for the chartering, organization, and powers of all corporations, and for the amending, extending, and forfeiture of all charters, except those above permitted by special act. All such general acts may be altered from time to time or repealed. The General Assembly may at any time by special act repeal the charter of any corporation.

Sec. 2. *Corporations defined.* The term "corporation" as used in this Section shall be construed to include all associations and joint-stock companies having any of the powers and privileges of

corporations not possessed by individuals or partnerships. All corporations shall have the right to sue and shall be subject to be sued in all courts, in like cases as natural persons.

ARTICLE IX

EDUCATION

Section 1. *Education encouraged.* Religion, morality, and knowledge being necessary to good government and the happiness of mankind, schools, libraries, and the means of education shall forever be encouraged.

Sec. 2. *Uniform system of schools.*

(1) *General and uniform system; term.* The General Assembly shall provide by taxation and otherwise for a general and uniform system of free public schools, which shall be maintained at least nine months in every year, and wherein equal opportunities shall be provided for all students.

(2) *Local responsibility.* The General Assembly may assign to units of local government such responsibility for the financial support of the free public schools as it may deem appropriate. The governing boards of units of local government with financial responsibility for public education may use local revenues to add to or supplement any public school or post-secondary school program.

Sec. 3. *School attendance.* The General Assembly shall provide that every child of appropriate age and of sufficient mental and physical ability shall attend the public schools, unless educated by other means.

Sec. 4. *State Board of Education.*

(1) *Board.* The State Board of Education shall consist of the Lieutenant Governor, the Treasurer, and eleven members appointed by the Governor, subject to confirmation by the General Assembly in joint session. The General Assembly shall divide the State into eight educational districts. Of the appointive members of the Board, one shall be appointed from each of the eight educational districts and three shall be appointed from the State at large. Appointments shall be for overlapping terms of eight years. Appointments to fill vacancies shall be made by the Governor for the unexpired terms and shall not be subject to confirmation.

(2) *Superintendent of Public Instruction.* The Superintendent of Public Instruction shall be the secretary and chief administrative officer of the State Board of Education.

Sec. 5. *Powers and duties of Board.* The State Board of Education shall supervise and administer the free public school system and the educational funds provided for its support, except the funds mentioned in Section 7 of this Article, and shall make all needed rules and regulations in relation thereto, subject to laws enacted by the General Assembly.

Sec. 6. *State school fund.* The proceeds of all lands that have been or hereafter may be granted by the United States to this State, and not otherwise appropriated by this State or the United States; all moneys, stocks, bonds, and other property belonging to the State for purposes of public education; the net proceeds of all sales of the swamp lands belonging to the State; and all other grants, gifts, and devises that have been or hereafter may be made to the State, and not otherwise appropriated by the State or by the terms of the grant, gift, or devise, shall be paid into the State Treasury and, together with so much of the revenue of the State as may be set apart for that purpose, shall be faithfully appropriated and used exclusively for establishing and maintaining a uniform system of free public schools.

Sec. 7. *County school fund.* All moneys, stocks, bonds, and other property belonging to a county school fund, and the clear proceeds of all penalties and forfeitures and of all fines collected in the several counties for any breach of the penal laws of the State, shall belong to and remain in the several counties, and shall be faithfully appropriated and used exclusively for maintaining free public schools.

Sec. 8. *Higher education.* The General Assembly shall maintain a public system of higher education, comprising The University of North Carolina and such other institutions of higher education as the General Assembly may deem wise. The General Assembly shall provide for the selection of trustees of The University of North Carolina and of the other institutions of higher education, in whom shall be vested all the privileges, rights, franchises, and endowments heretofore granted to or conferred upon the trustees of these institutions. The General Assembly may enact laws necessary and expedient for the maintenance and management of The University of North Carolina and the other public institutions of higher education.

Sec. 9. *Benefits of public institutions of higher education.* The General Assembly shall provide that the benefits of The University of North Carolina and other public institutions of higher education, as far as practicable, be extended to the people of the State free of expense.

Sec. 10. *Escheats.*

(1) *Escheats prior to July 1, 1971.* All property that prior to July 1, 1971, accrued to the State from escheats, unclaimed dividends, or distributive shares of the estates of deceased persons shall be appropriated to the use of The University of North Carolina.

(2) *Escheats after June 30, 1971.* All property that, after June 30, 1971, shall accrue to the State from escheats, unclaimed dividends, or distributive shares of the estates of deceased persons shall be used to aid worthy and needy students who are residents of this State and are enrolled in public institutions of higher education in this State. The method, amount, and type of distribution shall be prescribed by law.

ARTICLE X

HOMESTEADS AND EXEMPTIONS

Section 1. *Personal property exemptions.* The personal property of any resident of this State, to a value fixed by the General Assembly but not less than \$500, to be selected by the resident, is exempted from sale under execution or other final process of any court, issued for the collection of any debt.

Sec. 2. *Homestead exemptions.*

(1) *Exemption from sale; exceptions.* Every homestead and the dwellings and buildings used therewith, to a value fixed by the General Assembly but not less than \$1,000, to be selected by the owner thereof, or in lieu thereof, at the option of the owner, any lot in a city or town with the dwellings and buildings used thereon, and to the same value, owned and occupied by a resident of the State, shall be exempt from sale under execution or other final process obtained on any debt. But no property shall be exempt from sale for taxes, or for payment of obligations contracted for its purchase.

(2) *Exemption for benefit of children.* The homestead, after the death of the owner thereof, shall be exempt from the payment of any debt during the minority of the owner's children, or any of them.

(3) *Exemption for benefit of surviving spouse.* If the owner of a homestead dies, leaving a surviving spouse but no minor children, the homestead shall be exempt from the debts of the owner, and the rents and profits thereof shall inure to the benefit of the surviving spouse until he or she remarries, unless the surviving spouse is the owner of a separate homestead.

(4) *Conveyance of homestead.* Nothing contained in this Article shall operate to prevent the owner of a homestead from disposing of it by deed, but no deed made by a married owner of a homestead shall be valid without the signature and acknowledgement of his or her spouse.

Sec. 3. *Mechanics' and laborers' liens.* The General Assembly shall provide by proper legislation for giving to mechanics and laborers an adequate lien on the subject-matter of their labor. The provisions of Sections 1 and 2 of this Article shall not be so construed as to prevent a laborer's lien for work done and performed for the person claiming the exemption or a mechanics's lien for work done on the premises.

Sec. 4. *Property of married women secured to them.* The real and personal property of any female in this State acquired before marriage, and all property, real and personal, to which she may, after marriage, become in any manner entitled, shall be and remain the sole and separate estate and property of such female, and shall not be liable for any debts, obligations, or engagements of her husband, and may be devised and bequeathed and conveyed by her, subject to such regulations and limitations as the General Assembly may prescribe. Every married woman may exercise powers of attorney conferred upon her by her husband, including the power to execute and acknowledge deeds to property owned by herself and her husband or by her husband.

Sec. 5. *Insurance.* A person may insure his or her own life for the sole use and benefit of his or her spouse or children or both, and upon his or her death the proceeds from the insurance shall be paid to or for the benefit of the spouse or children or both, or to a guardian, free from all claims of the representatives or creditors of the insured or his or her estate. Any insurance policy which insures the life of a person for the sole use and benefit of that person's spouse or children or both shall not be subject to the claims of creditors of the insured during his or her lifetime, whether or not the policy reserves to the insured during his or her lifetime any or all rights provided for by the

policy and whether or not the policy proceeds are payable to the estate of the insured in the event the beneficiary or beneficiaries predecease the insured.

ARTICLE XI

PUNISHMENTS, CORRECTIONS, AND CHARITIES

Section 1. *Punishments.* The following punishments only shall be known to the laws of this State: death, imprisonment, fines, removal from office, and disqualification to hold and enjoy any office of honor, trust, or profit under this State.

Sec. 2. *Death punishment.* The object of punishments being not only to satisfy justice, but also to reform the offender and thus prevent crime, murder, arson, burglary, and rape, and these only, may be punishable with death, if the General Assembly shall so enact.

Sec. 3. *Charitable and correctional institutions and agencies.* Such charitable, benevolent, penal, and correctional institutions and agencies as the needs of humanity and the public good may require shall be established and operated by the State under such organization and in such manner as the General Assembly may prescribe.

Sec. 4. *Welfare policy; board of public welfare.* Beneficent provision for the poor, the unfortunate, and the orphan is one of the first duties of a civilized and a Christian state. Therefore the General Assembly shall provide for and define the duties of a board of public welfare.

ARTICLE XII

MILITARY FORCES

Section 1. *Governor is Commander in Chief.* The Governor shall be Commander in Chief of the military forces of the State and may call out those forces to execute the law, suppress riots and insurrections, and repel invasion.

ARTICLE XIII

CONVENTIONS; CONSTITUTIONAL AMENDMENT AND REVISION

Section 1. *Convention of the People.* No Convention of the People of this State shall ever be called unless by the concurrence of two-

thirds of all the members of each house of the General Assembly, and unless the proposition "Convention or No Convention" is first submitted to the qualified voters of the State at the time and in the manner prescribed by the General Assembly. If a majority of the votes cast upon the proposition are in favor of a Convention, it shall assemble on the day prescribed by the General Assembly. The General Assembly shall, in the act of submitting the convention proposition, propose limitations upon the authority of the Convention; and if a majority of the votes cast upon the proposition are in favor of a Convention, those limitations shall become binding upon the Convention. Delegates to the Convention shall be elected by the qualified voters at the time and in the manner prescribed in the act of submission. The Convention shall consist of a number of delegates equal to the membership of the House of Representatives of the General Assembly that submits the convention proposition and the delegates shall be apportioned as is the House of Representatives. A Convention shall adopt no ordinance not necessary to the purpose for which the Convention has been called.

Sec. 2. *Power to revise or amend Constitution reserved to people.* The people of this State reserve the power to amend this Constitution and to adopt a new or revised Constitution. This power may be exercised by either of the methods set out hereinafter in this Article, but in no other way.

Sec. 3. *Revision or amendment by Convention of the People.* A Convention of the People of this State may be called pursuant to Section 1 of this Article to propose a new or revised Constitution or to propose amendments to this Constitution. Every new or revised Constitution and every constitutional amendment adopted by a Convention shall be submitted to the qualified voters of the State at the time and in the manner prescribed by the Convention. If a majority of the votes cast thereon are in favor of ratification of the new or revised Constitution or the constitutional amendment or amendments, it or they shall become effective January first next after ratification by the qualified voters unless a different effective date is prescribed by the Convention.

Sec. 4. *Revision or amendment by legislative initiation.* A proposal of a new or revised Constitution or an amendment or amendments to this Constitution may be initiated by the General Assembly, but only if three-fifths of all the members of each house shall adopt an act submitting the proposal to the qualified voters of the State for their ratification or rejection. The proposal shall be submitted at the time and in the manner prescribed by the General Assembly. If a majority

of the votes cast thereon are in favor of the proposed new or revised Constitution or constitutional amendment or amendments, it or they shall become effective January first next after ratification by the voters unless a different effective date is prescribed in the act submitting the proposal or proposals to the qualified voters.

ARTICLE XIV

MISCELLANEOUS

Section 1. *Seat of government.* The permanent seat of government of this State shall be at the City of Raleigh.

Sec. 2. *State boundaries.* The limits and boundaries of the State shall be and remain as they now are.

Sec. 3. *General laws defined.* Whenever the General Assembly is directed or authorized by this Constitution to enact general laws, or general laws uniformly applicable throughout the State, or general laws uniformly applicable in every county, city and town, and other unit of local government, or in every local court district, no special or local act shall be enacted concerning the subject matter directed or authorized to be accomplished by general or uniformly applicable laws, and every amendment or repeal of any law relating to such subject matter shall also be general and uniform in its effect throughout the State. General laws may be enacted for classes defined by population or other criteria. General laws uniformly applicable throughout the State shall be made applicable without classification or exception in every unit of local government of like kind, such as every county, or every city and town, but need not be made applicable in every unit of local government in the State. General laws uniformly applicable in every county, city and town, and other unit of local government, or in every local court district, shall be made applicable without classification or exception in every unit of local government, or in every local court district, as the case may be. The General Assembly may at any time repeal any special, local, or private act.

Sec. 4. *Continuity of laws; protection of office holders.* The laws of North Carolina not in conflict with this Constitution shall continue in force until lawfully altered. Except as otherwise specifically provided, the adoption of this Constitution shall not have the effect of vacating any office or term of office now filled or held by virtue of any election or appointment made under the prior Constitution of North Carolina and the laws of the State enacted pursuant thereto.

Sec. 5. *Conservation of natural resources.* It shall be the policy of this State to conserve and protect its land and waters for the benefit of all its citizenry, and to this end it shall be a proper function of the State of North Carolina and its political subdivisions to acquire and preserve park, recreational, and scenic areas, to control and limit the pollution of our air and water, to control excessive noise, and in every other appropriate way to preserve as a part of the common heritage of this State its forests, wetlands, estuaries, beaches, historical sites, openlands, and places of beauty.

To accomplish the aforementioned public purposes, the State and its counties, cities and towns, and other units of local government may acquire by purchase or gift properties or interests in properties which shall, upon their special dedication to and acceptance by resolution adopted by a vote of three-fifths of the members of each house of the General Assembly for those public purposes, constitute part of the "State Nature and Historic Preserve," and which shall not be used for other purposes except as authorized by law enacted by a vote of three-fifths of the members of each house of the General Assembly. The General Assembly shall prescribe by general law the conditions and procedures under which such properties or interests therein shall be dedicated for the aforementioned public purposes.



REGULAR SESSION 1988

S.B. 661

CHAPTER 880

AN ACT TO PERMIT THE GARNISHMENT OF WAGES FOR CERTAIN DEBTS OWED TO PUBLIC HOSPITALS.

The General Assembly of North Carolina enacts:

Section 1. Chapter 131E of the General Statutes is amended by adding a new Article 5A to read:

"Article 5A.

"Garnishment for Debts Owed Public Hospitals.

" § 131E-48. *Definitions.*--As used in this Article, unless the context clearly requires otherwise:

(1) 'Disposable earnings' means that part of the compensation paid or payable for personal services, including wages, salary, commission, bonus, payments to a pension or retirement program, and other similar payments that remain after the deduction of any amounts required by law to be withheld.

(2) 'Family' means a parent or parents and minor children or spouses that reside together.

(3) 'Family income of the debtor' means family income as set out in the annual federal poverty guidelines issued by the United States Department of Health and Human Services in effect at the time of the hearing, less the amount of the costs of the family's reasonable ongoing medical needs.

(4) 'Garnishee' means an employer liable for compensation for personal services rendered or to be rendered by a person who is indebted to a public hospital for hospital services.

(5) 'Hospital services' means services rendered only by the public hospital. Hospital services shall include professional charges of any physician or medical student, but only if the physician or student is an employee of the public hospital.

(6) 'Public hospital' means any hospital facility operated on a nonprofit basis, any hospital that is owned or operated by the State, or any hospital as defined in G.S. 159-39(a).

" § 131E-49. *Procedure for garnishment.*--(a) A public hospital may move the court in the county wherein the debtor resides for an order for garnishment of the disposable earnings of the debtor after 10 days

following the entry of a judgment for a sum certain for hospital services rendered if the following conditions have been met:

(1) The public hospital has made reasonable efforts to collect the bill from any third-party payors;

(2) The public hospital has waited for a period of at least 120 days following the mailing of the bill for hospital services rendered to the debtor's last known address; and

(3) The public hospital has sent a certified letter to the debtor's last known address which includes information that the debtor's disposable earnings may be subject to wage garnishment unless the debtor shows the hospital that his family income is at or below two hundred percent (200%) of the annual federal poverty guidelines. The letter shall include the definition of family, family income, the current federal poverty guidelines in effect at the time of the letter, and the procedures to contest the proposed garnishment.

(b) The court may enter an order of garnishment following notice requirements set forth in this Article and a hearing held pursuant to the motion for garnishment. Provided, however, that the court shall not enter an order of garnishment unless the court makes findings of fact that the current family income of the debtor, at the time of the hearing, exceeds two hundred percent (200%) of the guidelines. The notice of the motion for garnishment shall include information that the debtor's disposable earnings shall not be garnished if the debtor shows that his current family income is at or below two hundred percent (200%) of the annual federal poverty guidelines and the definition of family, family income, and the guidelines shall be attached to such notice. The notice shall also state the procedures and duties applicable under this Article, including the procedures the debtor should follow to contest the proposed garnishment. The court shall presume that the current family income of the debtor exceeds two hundred percent (200%) of the federal poverty guidelines if the debtor or his representative fails to appear at the hearing held on the motion for garnishment. If an order for garnishment is entered, a copy of the order shall be served on the debtor and the garnishee either personally or by certified or registered mail, return receipt requested.

(c) The court shall not enter an order of garnishment if the debtor is making regular payments to the public hospital that are equal to ten percent (10%) of the debtor's monthly disposable earnings. Further, the court shall not enter an order of garnishment if the debtor satisfactorily shows that he is making a good faith effort to obtain payment for hospital services from a third-party payor.

(d) The court shall not enter an order of garnishment which exceeds ten percent (10%) of the debtor's monthly disposable

earnings. The court shall not enter an order of garnishment which is in effect for a period in excess of 60 months from the date of the initial order of garnishment.

(e) The amount garnished shall be increased by an additional one dollar (\$1.00) processing fee to be assessed and retained by the garnishee for each payment under the order.

(f) The garnishment order shall be subject to review for modification or dissolution upon the filing of a motion in the cause. The garnishment order shall be dissolved upon a showing by the debtor that his current family income equals or is less than two hundred percent (200%) of the annual federal poverty guidelines issued by the United States Department of Health and Human Services in effect at the time of the hearing on the motion.

(g) Upon receipt of an order of garnishment, the garnishee shall transmit the amount ordered by the court to be garnished to the clerk of court who shall disburse it to the public hospital. The garnishee shall not be required to change normal pay cycles, but shall make every effort to ensure that payments are received as soon as practicable. The garnishment order shall simplify the withholding process for garnishees to the extent possible.

" § 131E-50. *Penalties.*--No employee may be discharged from employment or suffer any disciplinary action because he has been subject to garnishment of his wages if one of the garnishments was under this Article. An employee who believes that this provision has been violated may bring an action against the employer. In any such action, the court for cause shown shall restrain violations and order payment of damages, including backpay, reinstatement, and all other appropriate relief, including payment of the employee's reasonable costs and attorney's fees.

" § 131E-51. *Applicability.*--Garnishment of disposable earnings under this Article 18 is in lieu of any other execution against the property of the debtor. Upon the satisfaction of the judgment or the expiration of the order of garnishment or 60 months from the date of the entry of the order of garnishment, whichever occurs first, the clerk shall mark the judgment paid and satisfied."

Sec. 2. Upon ratification of this act, Chapter 1005 of the 1973 Session Laws, Chapters 845 and 1093 of the 1979 Session Laws, and Chapter 1051 of the 1983 Session Laws are repealed.

Sec. 3. This act is effective upon ratification.

In the General Assembly read three times and ratified this the 3rd day of June, 1988.

S.B. 1560

CHAPTER 881

AN ACT TO PROVIDE FOR A SPECIAL ELECTION IN THE CITY OF ALBEMARLE TO ELECT TWO COUNCIL MEMBERS FROM DISTRICTS, SO AS TO CARRY OUT A FEDERAL COURT JUDGEMENT.

The General Assembly of North Carolina enacts:

Section 1. Effective on the Monday after the election called under Section 2 of this act, Section 2.2 of the Charter of the City of Albemarle, being Chapter 259, Session Laws of 1979, reads as rewritten:

"Section 2.2. Council; Composition; Terms of Office. The City Council shall be composed of ~~five members, each of whom shall be elected by and from the qualified voters of the City for terms of four years,~~ seven members, chosen as follows:

- (1) three shall be nominated and elected by and from the qualified voters of the City for terms of four years; and
- (2) four shall be nominated and elected by and from the qualified voters of the districts, one each from the four electoral districts established under Section 3.3 of this Charter, in the manner provided by Article III of this Charter.

In the event of vacancies in the council from a district seat, the person appointed as a successor under G.S. 160A-63 must be a resident of the district."

Sec. 2. Notwithstanding the provisions of Chapter 259, Session Laws of 1979, or the provisions of Chapter 163 of the General Statutes in conflict with this act, on the second Tuesday of September 1988, a council member shall be elected from District 1 to the City Council of the City of Albemarle, as that district is established by Section 3.3 of Chapter 259, Session Laws of 1979, as added by this act, and a council member shall be elected from District 2 to the City Council of the City of Albemarle, as that district is established by Section 3.3 of Chapter 259, Session Laws of 1979, as added by this act.

Sec. 3. Notwithstanding G.S. 163-279(a)(2), the partisan primary for the election scheduled by Section 2 of this act (required if needed by Section 3.1 of the Charter of the the City of Albemarle) shall be held on the first Tuesday of August 1988.

Sec. 4. Notwithstanding G.S. 163-291(2) notices of candidacy for the 1988 municipal election in the City of Albemarle scheduled by

Section 2 of this act shall be filed with the Stanly County Board of Elections not earlier than 12:00 noon on the second day (excluding Saturdays and Sundays) after this act is ratified, and not later than 12:00 noon on the last Friday in June of 1988. Legal notice of the general election shall be given in accordance with law, but legal notice of the primary shall be given as soon as practicable after ratification of this act, but no later than 20 days prior to the primary. Absentee ballots for the primary and general election shall be available as soon as practicable.

Sec. 5. Notwithstanding G.S. 163-111, the results of the 1988 primary election called by Section 2 of this act shall be determined as follows:

- (1) When more than one person is seeking election to a single office, the candidate who receives the highest number of votes shall be declared the nominee.
- (2) If two or more candidates receiving the highest number of votes each receive the same number of votes, the Stanly County Board of Elections shall determine, by lot, from among those candidates receiving the same number of votes, the party nominee.

Sec. 6. Section 3.2 of the Charter of the City of Albemarle, being Chapter 259, Session Laws of 1979, reads as rewritten:

"Section 3.2. Election of Mayor and Council Members. At the regular municipal election in ~~1979-1991~~ and quadrennially thereafter, there shall be elected a Mayor and five seven City Council members. Each candidate for a district seat must reside in the district for which election is sought."

Sec. 7. This act does not affect the validity of the terms of the persons elected to the City Council of the City of Albemarle in the 1987 regular city election for four-year terms. Solely for the purpose of determining the manner of filling vacancies in the City Council, the existing members of the City Council are allocated as follows:

At-large: Wade H. McSwain, Jr., Judy U. Holcomb, and Troy E. Alexander.

District 3: Jimmy D. Napier

District 4: Jack F. Neel.

Sec. 8. Article III of the Charter of the City of Albemarle, being Chapter 259, Session Laws of 1979, is amended by adding a new section to read:

"Section 3.3. Electoral District Boundaries. The City of Albemarle is divided into four electoral districts for the election of members of the City Council. For the purpose of elections beginning in 1988, the districts are as follows:

District 1

BEGINNING at the intersection of the Winston-Salem South Bound Railroad Company's main line and West Main Street in the City of Albemarle, and runs thence eastwardly with Main Street to the eastern corporate limit line of the City of Albemarle at or near the intersection of said street and North Carolina Secondary Road 1731; thence with the corporate limit line of the City as it meanders southwardly and westwardly to its intersection with the Winston-Salem Southbound Railroad Company's main line at or near Rock Creek Park; thence with the main line of the Winston-Salem South Bound Railroad Company northwardly to West Main Street, the point of beginning.

District 2

BEGINNING at the intersection of the corporate limit line of the City of Albemarle and the Winston-Salem Southbound Railroad Company's main line at or near Rock Creek Park and runs thence northwardly with the main line of the Winston-Salem Southbound Railroad Company to its intersection with Salisbury Avenue; thence with Salisbury Avenue northwardly to its intersection with U.S. Highway 52; thence with U.S. Highway 52 southwardly to its intersection with West Oakwood Avenue; thence with West Oakwood Avenue westwardly to its intersection with the Carolina Avenue; thence with Carolina Avenue northwardly to its intersection with Salisbury Avenue; thence with Salisbury Avenue northwardly to its intersection with the corporate limit line of the City of Albemarle at or near the intersection of said avenue and McKee Street; thence with the corporate limit line as it meanders westwardly and southwardly to its intersection with the main line of the Winston-Salem Southbound Railroad Company at or near Rock Creek Park, the point of beginning.

District 3

BEGINNING at the intersection of the Winston-Salem Southbound Railroad Company's main line and West Main Street and runs thence eastwardly with West Main Street to its intersection with Second Street; thence with Second Street northwardly to its intersection with Yadkin Street; thence with Yadkin Street eastwardly to its intersection with North Fifth Street; thence with North Fifth Street northwardly to its intersection with Hawthorne Lane; thence with Hawthorne Lane eastwardly to its intersection with Melchor Road; thence with Melchor Road northwardly to its intersection with Park Ridge Road; thence with Park Ridge Road eastwardly to its intersection with Ridge Street; thence with Ridge Street northwardly to its intersection with the corporate limits of the City of Albemarle; thence with the corporate limits of the city as it meanders northwardly, westwardly, and southwardly to its intersection with Salisbury Avenue at or near the

intersection of said Avenue and McKee Street; thence with Salisbury Avenue southwardly to its intersection with Carolina Avenue; thence with Carolina Avenue southwardly to its intersection with West Oakwood Avenue; thence with West Oakwood Avenue eastwardly to its intersection with U.S. Highway 52; thence with U.S. Highway 52 northwardly to its intersection with Salisbury Avenue; thence with Salisbury Avenue eastwardly to its intersection with the main line of the Winston-Salem South Bound Railroad Company; thence with the main line of the Winston-Salem Southbound Railroad Company southwardly to its intersection with West Main Street, the point of beginning.

District 4

BEGINNING at the intersection of Second Street and Main Street and runs thence with Second Street northwardly to its intersection with Yadkin Street; thence with Yadkin Street eastwardly to its intersection with North Fifth Street; thence with North Fifth Street northwardly to its intersection with Hawthorne Lane; thence with Hawthorne Lane eastwardly to its intersection with Melchor Road; thence with Melchor Road northwardly to its intersection with Park Ridge Road; thence with Park Ridge Road eastwardly to its intersection with Ridge Street; thence with Ridge Street northwardly to its intersection with the corporate limits of the City of Albemarle; thence with the corporate limit line of the city as it meanders eastwardly and southwardly with the corporate limit line to its intersection with East Main Street at or near the intersection of said street and North Carolina Secondary Road 1731; thence with East Main Street westwardly to North Second Street, the point of Beginning."

Sec. 9. This act is effective upon ratification.

In the General Assembly read three times and ratified this the 7th day of June, 1988.

H.B. 2227

CHAPTER 882

AN ACT TO AUTHORIZE THE CREATION OF NORTH CAROLINA ENTERPRISE CORPORATIONS.

The General Assembly of North Carolina enacts:

Section 1. Chapter 53A of the General Statutes is amended by adding at the end a new Article to read:

"Article 3.

"North Carolina Enterprise Corporations.

" § 53A-35. *Short Title.*--This Article shall be known and may be cited as the North Carolina Enterprise Corporation Act.

" § 53A-36. *Legislative findings and purpose.*--(a) The General Assembly finds and declares that there exists in the State of North Carolina a serious shortage of mezzanine finance capital and credit available for investment in rural areas in the State. This shortage of mezzanine finance capital and credit is severe throughout the rural areas of the State, has persisted for a number of years, and constitutes a grave threat to the welfare and prosperity of all residents of the State.

(b) The General Assembly finds and declares further that private enterprise and existing federal and State governmental programs have not adequately alleviated the severe shortage of mezzanine finance capital and credit available for investments in rural areas in the State.

(c) The General Assembly finds and declares that it is a matter of grave public necessity that North Carolina Enterprise Corporations be authorized to be created and to be empowered to alleviate these severe shortages of mezzanine finance capital and credit for investment in rural areas of the State. North Carolina Enterprise Corporations shall help eliminate barriers to rural economic development by providing mezzanine finance capital and credit, and other types of financing as appropriate, to businesses in rural areas that have been unable to obtain sufficient financing through traditional financial institutions.

" § 53A-37. *Definitions.*--The following definitions apply in this Article:

(1) **Business.** A corporation, partnership, association, or sole proprietorship operated for profit.

(2) **Equity security.** Common stock, preferred stock, an interest in a partnership, subordinated debt, or a warrant that is convertible into, or entitles the holder to receive upon its exercise, common stock, preferred stock, or an interest in a partnership.

(3) **Mezzanine finance.** An investment in the equity securities or subordinated debt of a Qualified North Carolina Business.

(4) **Qualified North Carolina Business.** A business whose headquarters and principal business operations are located in North Carolina and which, together with its affiliates on a consolidated basis, had gross income during the immediately preceding fiscal year, determined in accordance with generally accepted accounting principles without taking into account extraordinary items, of less than forty million dollars (\$40,000,000).

(5) **Rural areas.** Any county in North Carolina which does not include within its boundaries a city, as defined by G.S. 160A-1(2), with a population greater than one percent (1%) of the population of North Carolina.

(6) **Security.** A security as defined in G.S. 78A-2(11).

(7) Subordinated debt. Indebtedness that is or will be subordinated to other indebtedness of the issuer. Subordinated debt may be convertible into common stock, preferred stock, or an interest in a partnership.

(8) Traditional Financial Institutions. Corporations or associations chartered under Chapters 53 or 54B of the General Statutes.

" § 53A-38. *Incorporation authorized.*--(a) One or more persons, a majority of whom are residents of this State, may, by filing a certificate of incorporation as provided in subsection (b), incorporate a North Carolina Enterprise Corporation under the provisions of this Article.

(b) Persons who wish to associate themselves for the purpose of establishing a North Carolina Enterprise Corporation shall file a certificate of incorporation with the Secretary of State. The certificate shall be in accordance with G.S. 55-7.

" § 53A-39. *Purpose.*--The purpose of a North Carolina Enterprise Corporation shall be to promote, stimulate, develop, and advance economic prosperity and stimulate job creation in North Carolina's rural areas primarily through mezzanine finance investments in Qualified North Carolina Businesses. To stimulate development broadly across the State, a North Carolina Enterprise Corporation, to the maximum extent feasible consistent with sound business practices, will make mezzanine financing and other types of financing available to small businesses and to businesses located throughout all the rural areas of North Carolina.

" § 53A-40. *Corporate name.*--The name of the corporation shall include the words 'North Carolina Enterprise Corporation'.

" § 53A-41. *Governing law.*--Except as otherwise provided in this act, a North Carolina Enterprise Corporation shall be governed by Chapter 55 of the General Statutes.

" § 53A-42. *Powers.*--A North Carolina Enterprise Corporation created under this Article shall have all the powers conferred on business corporations by Chapter 55 of the General Statutes.

" § 53A-43. *Primary investments.*--The primary investments of a North Carolina Enterprise Corporation shall be in Qualified North Carolina Businesses that have significant potential to create jobs and diversify and stabilize the economy of rural areas of this State.

" § 53A-44. *Prohibited investments.*--Investments by a North Carolina Enterprise Corporation shall not be made in any business unless the business can demonstrate to the satisfaction of the North Carolina Enterprise Corporation that the business cannot obtain sufficient financing through traditional financial institutions.

" § 53A-45. *Board of directors.*--The business and affairs of a North Carolina Enterprise Corporation shall be managed and conducted by a board of directors and by such officers and agents as the corporation by its bylaws shall authorize. The initial board of directors shall be those listed in the Articles of Incorporation. At the initial shareholders meeting, and thereafter annually, the voting common stock shareholders shall elect a board of directors comprised of not less than thirteen members in accordance with the following conditions:

(1) Not less than five (5) members who are employed by the North Carolina banks that invest in the common stock of the North Carolina Enterprise Corporation;

(2) Not less than five (5) members who are representatives of North Carolina savings and loans, insurance companies, utility companies, endowment funds, public investors, private businesses, private individuals, or others that invest in the common stock of the North Carolina Enterprise Corporation;

(3) Not less than two (2) members who are the representatives of appropriate public interests, which persons shall not be employed by any bank, entity, or person that owns common stock of the North Carolina Enterprise Corporation;

(4) One member who is the President or the Chief Executive Officer of the North Carolina Enterprise Corporation.

" § 53A-46. *Tax credit.*--A person or corporation that invests in the equity securities of a North Carolina Enterprise Corporation may be entitled to a tax credit as provided in G.S. 105-163.010 through G.S. 105-163.014.

" § 53A-47. *Charter void unless business begun; Article void unless corporation organized.*--If a corporation organized pursuant to this Article fails to begin business within three years after the effective date of its charter then its charter is void. If, at the expiration of three years after July 1, 1988, no corporation has been organized pursuant to this Article, then on that date this Article shall expire."

Sec. 2. G.S. 105-163.010 is amended by adding after subdivision (6) a new subdivision to read:

"(6a) North Carolina Enterprise Corporation.--A corporation established in accordance with Article 3 of Chapter 53A of the General Statutes."

Sec. 2.1. The title of Division V of Article 4 of Chapter 105 of the General Statutes reads as rewritten: "DIVISION V. ~~INCOME TAX CREDITS FOR QUALIFIED BUSINESS INVESTMENTS.~~"

Sec. 3. G.S. 105-163.011(a) and (b) read as rewritten:

" § 105-163.011. ~~Income tax credit~~ *Tax credits allowed.*--(a) Corporations. Subject to the limitations contained in G.S. 105-

163.012, a corporation that invests in the equity securities of a North Carolina Capital Resource Corporation, a North Carolina Enterprise Corporation, or a qualified investment organization is allowed as a credit against the tax imposed by Division I of this Article or the tax imposed by G.S. 105-116, 105-120.2, and 105-122 for the taxable year an amount equal to twenty-five percent (25%) of the amount invested or seven hundred fifty thousand dollars (\$750,000), whichever is less. The credit may not be taken for the year in which the investment is made but shall be taken for the taxable year beginning during the calendar year following the calendar year in which the investment was made.

(b) Individuals. Subject to the limitations contained in G.S. 105-163.012, an individual who invests in the equity securities or subordinated debt of (i) a North Carolina Capital Resource Corporation, (ii) a qualified investment organization, (iii) a qualified business venture, ~~or~~ (iv) a qualified grantee business, or (v) a North Carolina Enterprise Corporation is allowed as a credit against the tax imposed by Division II of this Article for the taxable year an amount equal to twenty-five percent (25%) of the amount invested or one hundred thousand dollars (\$100,000), whichever is less. The credit may not be taken for the year in which the investment is made but shall be taken for the taxable year beginning during the calendar year following the calendar year in which the investment was made."

Sec. 3.1. G.S. 105-163.011(c) reads as rewritten:

"(c) Application.--To be eligible for the ~~income~~ tax credit provided in this section, the taxpayer must file an application for the credit with the Secretary of Revenue on or before April 15 of the year following the calendar year in which the investment was made. The application shall be on a form prescribed by the Secretary and shall include any supporting documentation that the Secretary may require."

Sec. 4. G.S. 105-163.012(b)(1) reads as rewritten:

"(1) A total of six million dollars (\$6,000,000) in tax credits for investments in North Carolina Enterprise Corporations or North Carolina Capital Resource Corporations shall be allocated among all taxpayers claiming the credits in proportion to the size of the credit claimed by each taxpayer."

Sec. 4.1. G.S. 105-163.012(a) reads as rewritten:

"(a) The credit allowed a taxpayer under G.S. 105-163.011 may not exceed the amount of tax imposed by Division I or II of this Article or by Article 3 of this Chapter, as appropriate, for the taxable year reduced by the sum of all other credits allowable except tax payments made by or on behalf of the taxpayer. The amount of unused credit allowed under G.S. 105-163.011 may be carried forward for the next five succeeding years."

Sec. 4.2. G.S. 105-120.2 is amended by adding a new subsection (f) at the end to read:

"(f) In determining the total tax payable by any holding company under this section, there shall be allowed as a credit on such tax the amount of the credit authorized under Division V of Article 4 of this Chapter."

Sec. 4.3. G.S. 105-122 is amended by adding a new paragraph at the end of subsection (d) to read:

"In determining the total tax payable by any corporation under this section, there shall be allowed as a credit on such tax the amount of the credit authorized by Division V of Article 4 of this Chapter."

Sec. 4.4. G.S. 105-116 is amended by adding at the end of subsection (c) a new paragraph to read:

"In determining the total tax payable by any company under this section, there shall be allowed as a credit on such tax the amount of the credit authorized by Division V of Article 4 of this Chapter."

Sec. 5. G.S. 147-69.1(c) is amended by adding a new subdivision to read:

"(6) Obligations or securities of The North Carolina Enterprise Corporation; provided that the investment may not exceed twenty million dollars (\$20,000,000) and that the investment may be made solely from the General Fund and the Highway Fund."

Sec. 6. All actions and proceedings heretofore taken by units of local government relating to the authorization of general obligation refunding bonds, secured by a pledge of the taxing power and issued pursuant to the Local Government Bond Act, and revenue refunding bonds, secured by a pledge of revenues and issued pursuant to The State and Local Government Revenue Bond Act, and the sale and delivery of all such bonds pursuant to Article 7, as amended, of Chapter 159 of the General Statutes of North Carolina, in order to provide funds to purchase, at a discount, bonds of such units owned by the Farmers Home Administration, including without limitation, the introduction and adoption of bond orders, the holding of public hearings with respect to such bond orders, the passage of resolutions providing for the issuance and the sale, both public and private, of such refunding bonds, and the delivery of any such refunding bonds are hereby in all respects approved, ratified, validated, and confirmed.

Sec. 7. Sections 2, 2.1, 3, 3.1, 4, 4.1, 4.2, 4.3, and 4.4 of this act are effective for taxable years beginning on or after January 1, 1988. The remainder of this act is effective upon ratification.

In the General Assembly read three times and ratified this the 15th day of June, 1988.

H.B. 2198

CHAPTER 883

AN ACT TO ALLOW THE CITY OF STATESVILLE TO LEASE AIRPORT PROPERTY FOR UP TO 20 YEARS WITHOUT TREATING IT AS A SALE.

The General Assembly of North Carolina enacts:

Section 1. G.S. 160A-272 is amended by deleting "10 years" both places those words appear and substituting "20 years".

Sec. 2. This act applies only as to leases by the City of Statesville, and as to the City of Statesville applies only to leases of property at the Statesville Municipal Airport.

Sec. 3. This act is effective upon ratification.

In the General Assembly read three times and ratified this the 16th day of June, 1988.

H.B. 2233

CHAPTER 884

AN ACT TO AUTHORIZE THE TOWN OF AHOSKIE TO EXECUTE CONTRACTS FOR RENOVATION OF ITS REGIONAL SMALL BUSINESS INCUBATOR.

The General Assembly of North Carolina enacts:

Section 1. The Town of Ahoskie (the "Town") may join in, ratify, or affirm any existing contract or execute any new contract with S.T. Wooten Construction Company, Inc. (the "Company") for the renovation of the Regional Small Business Incubator as said contract may be negotiated with the Company by the Construction Committee appointed to oversee the renovation and rehabilitation of said facility with one hundred fifty thousand dollars (\$150,000) in funds granted to the Town by the North Carolina Technological Development Authority for the continuing development of the Regional Small Business Incubator owned by the Town.

Sec. 2. Such contract and subsequent change orders may be executed and/or ratified by the Town with the Company without further advertisement for bids or estimates, the provisions of Article 8 of Chapter 143 of the General Statutes notwithstanding.

Sec. 3. This act is effective upon ratification.

In the General Assembly read three times and ratified this the 16th day of June, 1988.

AN ACT TO PROVIDE PERMANENT REGISTRATION PLATES FOR DISASTER RELIEF MOTOR VEHICLES.

The General Assembly of North Carolina enacts:

Section 1. The first paragraph of G.S. 20-84 reads as rewritten:

"The Division upon proper proof being filed with it that any motor vehicle for which registration is herein required is owned by the State or any department thereof, or by any county, township, city or town, or by any board of education, or by any orphanage or civil air patrol, or incorporated emergency rescue squad, or incorporated REACT ("Radio Emergency Association of Citizen Teams") Team, or for any motor vehicle involved exclusively in the support of a disaster relief effort, shall collect six dollars (\$6.00) for the registration of such motor vehicles, but shall not collect any fee for application for certificate of title in the name of the State or any department thereof, or by any county, township, city or town, or by any board of education or orphanage: Provided, that the term 'owned' shall be construed to mean that such motor vehicle is the actual property of the State or some department thereof or of the county, township, city or town, or of the board of education, and no motor vehicle which is the property of any officer or employee of any department named herein shall be construed as being 'owned' by such department. Provided, that the above exemptions from registration fees shall also apply to any church-owned bus used exclusively for transporting children and parents to Sunday school and church services and for no other purpose."

Sec. 2. This act shall become effective October 1, 1987.

In the General Assembly read three times and ratified this the 17th day of June, 1988.

AN ACT TO APPROPRIATE ADDITIONAL FUNDS FOR RECURRING EXPENSES FOR THE 1988-89 FISCAL YEAR.

The General Assembly of North Carolina enacts:

Section 1. The appropriations made in this act are for maximum amounts necessary to provide the services and accomplish the purposes described in the budget. Savings shall be effected where the total amounts appropriated are not required to perform these

services and accomplish these purposes and, except as allowed by the Executive Budget Act, or this act, the savings shall revert to the appropriate fund at the end of each fiscal year.

PART I.-----CURRENT OPERATIONS/GENERAL FUND

Sec. 2. Section 2 of Chapter 738 of the 1987 Session Laws reads as rewritten:

"Sec. 2. Appropriations from the General Fund of the State for the maintenance of the State departments, institutions, and agencies, and for other purposes as enumerated except for aid to certain governmental and nongovernmental units are made for the biennium ending June 30, 1989, according to the following schedule:

<u>Current Operations-General Fund</u>	<u>1987-88</u>	<u>1988-89</u>
General Assembly	\$ 13,775,242	\$ 16,636,353
Judicial Department	151,146,101	157,252,143 <u>157,512,743</u>
Department of the Governor	4,089,063	4,118,251
Lieutenant Governor's Office	712,503	513,122
Department of Secretary of State	2,633,872	2,842,066 <u>2,911,712</u>
Department of State Auditor	6,350,979	6,410,906
Department of State Treasurer	3,872,684	3,699,281
Department of Public Education	2,498,598,824	2,640,970,882 <u>2,653,614,426</u>
Department of Justice	41,896,189	41,187,926 <u>41,463,254</u>
Department of Agriculture	33,586,010	33,737,065
Department of Labor	6,626,328	6,726,797
Department of Insurance	11,099,959	11,144,224

Department of Administration	42,463,756	42,947,588 <u>43,043,239</u>
Department of Transportation - Aeronautics	116,571	116,571
Department of Natural Resources and Community Development	59,594,311	58,563,104 <u>58,873,982</u>
Office of Administrative Hearings	1,883,791	1,874,045
Office of State Budget and Management	3,256,136	3,411,979
Department of Human Resources		
01. Alcoholic Rehabilitation Center - Black Mountain	2,934,623	2,986,736 <u>2,987,028</u>
02. Alcoholic Rehabilitation Center - Butner	2,725,581	2,736,746 <u>2,728,839</u>
03. Alcoholic Rehabilitation Center - Greenville	2,369,121	2,394,556 <u>2,410,928</u>
04. N.C. Special Care Center	3,850,572	3,912,649 <u>3,863,101</u>
05. Black Mountain Center	464,080	478,375 <u>581,162</u>
06. DHR - Administration and Support Program	6,788,729	6,806,069
07. Schools for the Deaf and Blind	20,281,056	20,509,415 <u>19,720,945</u>

08. Division of Health Services	48,829,882	47,585,329
09. Social Services	72,957,253	76,156,555 <u>75,903,694</u>
10. Medical Assistance	255,214,369	288,526,093 <u>297,626,434</u>
11. Division of Services for the Blind	5,887,010	5,935,924
12. Division of Mental Health, Mental Retardation and Substance Abuse Services	10,664,886	10,385,624
13. Dorothea Dix Hospital	32,372,589	32,621,340 <u>31,687,753</u>
14. Broughton Hospital	26,435,921	26,716,420 <u>27,097,893</u>
15. Cherry Hospital	26,897,587	27,193,092 <u>26,054,777</u>
16. John Umstead Hospital	26,498,658	26,924,383 <u>26,341,685</u>
17. Western Carolina Center	2,895,233	3,096,404 <u>2,878,451</u>
18. O'Berry Center	3,587,669	3,749,154 <u>3,657,040</u>
19. Murdoch Center	15,402,682	15,502,346 <u>12,805,173</u>
20. Caswell Center	11,587,364	11,052,401 <u>12,138,301</u>
21. Division of Facility Services	26,001,329	26,145,147

22. Division of Vocational Rehabilitation Services	21,143,144	22,432,116 <u>21,432,116</u>
23. Division of Youth Services	25,287,438	25,594,590
24. State-Aid Non-State Entities	153,319	296,530
Total Department of Human Resources	651,230,095	689,737,994 <u>692,664,533</u>
Department of Correction	262,447,914	276,424,190 <u>284,846,857</u>
Department of Commerce	22,740,249	22,720,734
Department of Revenue	40,094,088	41,616,392
Department of Cultural Resources	18,376,944	18,519,558
Department of Crime Control and Public Safety	18,458,611	17,787,433 <u>22,298,248</u>
University of North Carolina - Board of Governors		
01. General Administration	\$ 15,865,019	\$ 16,676,117
02. University Operations - Lump Sum	27,689,188	27,799,367 <u>35,722,695</u>
03. Related Educational Programs	3,899,821	4,015,524
04. University of North Carolina at Chapel Hill		

a. Academic Affairs	114,340,237	114,630,318
b. Division of Health Affairs	81,799,242	82,247,899
c. Area Health Education Centers	27,282,717	27,289,611
05. North Carolina State University at Raleigh		
a. Academic Affairs	144,955,453	146,903,112
b. Agricultural Research Service	30,762,254	30,775,187
c. Agricultural Extension Service	24,117,393	24,173,687
06. University of North Carolina at Greensboro	43,454,411	44,262,024
07. University of North Carolina at Charlotte	40,901,044	41,071,501
08. University of North Carolina at Asheville	11,552,575	11,732,050
09. University of North Carolina at Wilmington	24,140,832	24,402,742
10. East Carolina University	99,726,556	100,903,641
11. North Carolina Agricultural and Technical State University	29,221,544	29,333,812
12. Western Carolina University	29,172,895	29,272,027
13. Appalachian State University	41,033,921	41,192,349

14. Pembroke State University	11,272,039	11,407,576
15. Winston-Salem State University	13,415,516	13,668,478
16. Elizabeth City State University	9,714,745	9,784,803
17. Fayetteville State University	13,551,535	13,615,775
18. North Carolina Central University	24,082,211	24,181,242
19. North Carolina School of the Arts	7,471,387	7,609,745
20. North Carolina Science and Math High School	5,584,259	5,759,907
21. North Carolina Memorial Hospital	27,805,159	28,493,798
Total University of North Carolina	902,811,953	911,202,292 <u>919,125,620</u>
Department of Community Colleges	310,371,821	301,241,942
State Board of Elections	1,177,512	419,256
Contingency and Emergency	1,125,000	1,125,000
Office of State Budget - Other Reserves	8,300,000	-
Reserve for Benefits for Part-time Employees	875,000	905,000 <u>376,336</u>
Reserve for Salary Increase	198,600,000	202,000,000 <u>406,376,062</u>

Reserve for Salary Adjustments	500,000	<u>500,000</u> <u>4,000,000</u>
Reserve for Telephone Systems	500,000	500,000
Reserve for Health Benefit Premium Increase	47,000,000	65,100,000 <u>56,870,454</u>
Reserve for Electronic Data Processing	500,000	500,000
Debt Service	73,929,627	71,636,370
<hr/>		
GRAND TOTAL CURRENT OPERATIONS-- GENERAL FUND	\$5,440,741,133	\$5,654,088,464" <u>\$5,890,645,312"</u>

PART II. CURRENT OPERATIONS/GENERAL FUND/AID TO CERTAIN GOVERNMENTAL AND NONGOVERNMENTAL UNITS

Sec. 3. Section 2 of Chapter 830 of the 1987 Session Laws reads as rewritten:

"Sec. 2. Appropriations from the General Fund of the State to State departments, institutions, and agencies for aid to certain governmental and nongovernmental units as enumerated are made for the biennium ending June 30, 1989, according to the following schedule:

<u>General Fund</u>	<u>1987-88</u>	<u>1988-89</u>
Judicial Department	367,450	389,360
Office of State Budget - State Aid	19,914,685	9,105,000
Department of State Auditor	5,934,865	5,934,865
Department of Public Education	8,661,797	10,861,797
Department of Justice	50,000	-
Department of Agriculture	230,014	230,014

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Department of Insurance	200,000	200,000
Department of Administration	2,184,520	2,059,520
Department of Transportation		
01. Aeronautics	5,045,000	5,045,000
02. Aid to Railroads	100,000	100,000
Total Department of Transportation	5,145,000	5,145,000
Department of Natural Resources and Community Development	9,678,962	8,043,962 <u>9,643,962</u>
Department of Human Resources		
01. DHR - Administration and Support Program	1,543,563	1,253,563 <u>2,981,563</u>
02. Division of Health Services	26,212,081	25,409,994
03. Social Services	15,007,324	15,007,324
04. Social Services - State Aid to Non-State Agencies	4,714,318	4,778,322 <u>4,818,129</u>
05. Division of Services for the Blind	22,000	12,000
06. Division of Mental Health, Mental Retardation and Substance Abuse Services	132,865,821	136,105,679 <u>138,105,679</u>
07. Division of Facility Services	2,297,795	1,906,802
08. Division of Youth Services	13,626,226	13,626,226
09. State Aid, Local Programs (a) Inflationary Increases	1,422,089	2,750,379

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(b) Salary Increases	6,115,660	6,115,660 <u>12,141,763</u>
Total Department of Human Resources	203,826,877	206,965,949 <u>216,759,859</u>
Department of Correction	75,000	75,000
Department of Commerce	10,583,922	3,630,660
Reserve for Biotechnology Center	6,360,200	6,360,200
Reserve for Microelectronics Center of North Carolina	18,453,600	14,155,896
Department of Cultural Resources	16,995,250	17,245,250
Department of Crime Control and Public Safety	761,800	556,000 <u>771,967</u>
University of North Carolina - Board of Governors		
01. Related Educational Programs	33,688,815	35,848,000
02. East Carolina University	105,000	55,000
03. Appalachian State University	35,000	35,000
04. Western Carolina University	250,000	250,000
05. Elizabeth City State University	150,000	150,000
Total University of North Carolina	34,228,815	36,338,000
Department of Community Colleges	381,650	381,650
GRAND TOTAL GENERAL FUNDS	\$ 344,034,407	\$ 327,678,123" <u>\$ 339,288,000"</u>

PART III. MISCELLANEOUS PROVISIONS

----EXECUTIVE BUDGET ACT APPLIES

Sec. 4. The provisions of the Executive Budget Act, Chapter 143, Article 1, of the General Statutes, are reenacted and shall remain in full force and effect and are incorporated in this act by reference.

Sec. 4.1. The June 15, 1988 Report to the Joint Appropriations Committee, which was distributed in the House of Representatives and the Senate and used to explain this act, shall indicate action by the General Assembly on this act and shall therefore be used to construe this act, as provided in G.S. 143-15 of the Executive Budget Act, and for such purposes shall be considered a part of this act.

-----MOST TEXT APPLIES ONLY TO 1988-89

Sec. 5. Except for statutory changes or other provisions that clearly indicate an intention to have effects beyond the 1988-89 fiscal year, the textual provisions of this act apply only to funds appropriated for, and activities occurring during, the 1988-89 fiscal year.

-----1987-88 APPROPRIATIONS LIMITATIONS AND DIRECTIONS APPLY

Sec. 6. Except where expressly repealed or amended by this act, the provisions of Chapters 738, 795, 830, and 876 of the 1987 Session Laws as amended remain in effect.

Sec. 7. Notwithstanding any modifications by this act in the amounts appropriated, except where expressly repealed or amended, the limitations and directions for the 1987-89 fiscal biennium in Chapters 738, 795, 830, and 876 of the 1987 Session Laws that applied to appropriations to particular agencies or for particular purposes apply to the newly enacted appropriations of this act for those same particular purposes.

-----EFFECT OF HEADINGS

Sec. 8. The headings to the parts and sections of this act are a convenience to the reader and are for reference only. The headings do not expand, limit, or define the text of this act.

-----SEVERABILITY CLAUSE

Sec. 9. If any section or provision of this act is declared unconstitutional or invalid by the courts, it does not affect the validity of this act as a whole or any part other than the part so declared to be unconstitutional or invalid.

-----EFFECTIVE DATE

Sec. 10. Except as otherwise provided, this act shall become effective July 1, 1988.

In the General Assembly read three times and ratified this the 17th day of June, 1988.

H.B. 2190

CHAPTER 887

AN ACT TO ANNEX CERTAIN TERRITORY TO THE TOWN OF STONEVILLE AT A SPECIFIED FUTURE DATE.

The General Assembly of North Carolina enacts:

Section 1. The corporate limits of the Town of Stoneville are extended to include the following described territory:

An area beginning at a point on the northern margin of the right-of-way of NC Highway 770, this said point being South 69° 55' 47" W 758.02 feet from the Southeast corner of the MacField Texturing, Inc. real property (Deed Book 753 at page 369, Rockingham County Registry - Tract 1), proceeding thence on the margin of the right-of-way of NC Highway 770 South 69° 55' 47" West 153.23 feet to a point; thence North 20° 06' 10" West passing through the point of the interception and contact of the original MacField Texturing, Inc. plant wall with the MacField Texturing, Inc. 1987 plant addition and following the line of the original walls a distance of 457.45 feet to a point; thence South 69° 50' 30" West on the line of the original wall a distance of 90.77 feet; thence North 19° 56' 20" West 157.85 feet passing through the North plant wall to a point; thence North 73° 32' East 241.38 feet to an iron pin; thence South 20° 21' 25" East 600.00 feet to the POINT OF ORIGIN; this area for annexation containing 2.43. acres.

Sec. 2. The area annexed by Section 1 of this act shall be subject to taxation as provided by G.S. 160A-58.10 as of the effective date of this act.

Sec. 3. This act shall become effective January 1, 1995.

In the General Assembly read three times and ratified this the 17th day of June, 1988.

H.B. 2204

CHAPTER 888

AN ACT TO ADD TWO MEMBERS TO THE MARTIN COUNTY AND THE BERTIE COUNTY ALCOHOLIC BEVERAGE CONTROL BOARDS.

The General Assembly of North Carolina enacts:

Section 1. G.S. 18B-700(a) reads as rewritten:

"(a) Membership. -- A local ABC board shall consist of ~~three~~ five members appointed for three-year terms, unless a different membership or term is provided by a local act enacted before the

effective date of this Chapter, or unless the board is a board for a merged ABC system under G.S. 18B-703 and a different size membership has been provided for as part of the negotiated merger. One member of the initial board of a newly created ABC system shall be appointed for a three-year term, one member for a two-year term, and one member for a one-year term. As the terms of initial board members expire, their successors shall each be appointed for three-year terms. The appointing authority shall designate one member of the local board as chairman."

Sec. 2. This act applies to Martin County and to Bertie County only.

Sec. 3. Chapter 417 of the 1977 Session Laws is repealed.

Sec. 4. This act is not intended to affect the terms of office of any current members of the Martin County Alcoholic Beverage Control Board or of the Bertie County Alcoholic Beverage Control Board. One of the additional members of the Martin County Alcoholic Beverage Control Board and of the Bertie County Alcoholic Beverage Control Board provided for by Section 1 of this act shall be appointed for a term of three years and one of the additional members of the Martin County Alcoholic Beverage Control Board and of the Bertie County Alcoholic Beverage Control Board provided for by Section 1 of this act shall be appointed for a term of two years.

Sec. 5. This act is effective upon ratification.

In the General Assembly read three times and ratified this the 17th day of June, 1988.

H.B. 2250

CHAPTER 889

AN ACT TO PROVIDE FOR A MODIFIED DISTRIBUTION OF THE LOCAL PROCEEDS FROM OPERATION OF ALCOHOLIC BEVERAGE CONTROL STORES IN THE TOWN OF HIGHLANDS, MACON COUNTY.

The General Assembly of North Carolina enacts:

Section 1. Section 6 of Chapter 611 of the 1977 Session Laws reads as rewritten:

"Sec. 6. The Town Board of Alcoholic Beverage Control shall, out of the gross revenue derived from the operation of alcoholic beverage control stores, pay all salaries, costs and operating expenses and retain a sufficient and proper working capital, the amount thereof to be determined by the Town Board of Alcoholic Beverage Control. The remaining revenue, as determined by quarterly audit, shall be distributed as follows: a. not less than five percent (5%) nor more than fifteen percent (15%) for law enforcement in the town, and not

less than seven percent (7%) for education on the excessive use of alcoholic beverages and for the rehabilitation of alcoholics; b. ten percent (10%) for the development and operation of the town's recreational facilities; c. fifteen percent (15%) for the general fund of the Highlands-Cashiers Hospital, Inc.; d. ~~two percent (2%)~~ four percent (4%) to the Town of Highlands Scholarship Fund; and e. any remaining revenue to the general fund of the Town of Highlands to be used for any and all purposes for which tax and non-tax revenues may be expended by the town."

Sec. 2. This act is effective upon ratification.

In the General Assembly read three times and ratified this the 17th day of June, 1988.

S.B. 1600

CHAPTER 890

AN ACT TO CLARIFY THE MANNER OF ELECTION OF THE NEW ROWAN-SALISBURY BOARD OF EDUCATION.

The General Assembly of North Carolina enacts:

Section 1. A PLAN FOR MERGER OF THE ROWAN COUNTY SCHOOL AND THE SALISBURY CITY SCHOOLS, as approved by the State Board of Education on December 3, 1987, and filed with the Secretary of State in accordance with G.S. 115C-67 on December 21, 1987, is amended as provided in Section 2 of this act.

Sec. 2. Article V of A PLAN FOR MERGER OF THE ROWAN COUNTY SCHOOL AND THE SALISBURY CITY SCHOOLS reads as rewritten:

"V. Governing Board of Merged School District:

A. Interim Board of Education - An interim Board of Education will serve from July 1, 1989, until the first Monday in December, 1990. The interim board will be composed of nine (9) members, including all five (5) members of the ~~then existing~~ Rowan County School Board in office at the termination of that board together with four (4) members from the then existing City School Board. It is intended that the interim board will be governed by and limited to guidelines established by the two Boards of Education. The City School Board will select four of its members to so serve. If any vacancy occurs on the Interim Board of Education, during the period beginning July 1, 1989, and ending on the termination of the Interim Board of Education, in one of the positions initially filled by persons from the Rowan County Board of Education, the remaining members of the Interim Board of Education holding seats initially filled by members of the Rowan County Board of Education shall choose some person to fill the vacancy until the termination of the Interim Board.

If any vacancy occurs during the period beginning July 1, 1989, and ending on the termination of the Interim Board of Education in one of the positions initially filled by persons from the Salisbury City Board of Education, the remaining members of the Interim Board of Education holding one of the four seats subject to initial appointment by the Salisbury City Board of Education shall choose some person to fill the vacancy until the termination of the Interim Board.

B. First Elected Board - A non-partisan election as provided in Chapter 163 of the North Carolina General Statutes will be held during November 1990 at the same time county officers are elected in accordance with G.S. 163-1 in 1990 to elect a seven (7) member Board of Education whose terms will commence on the first Monday in December, 1990. Candidates shall file with the Rowan County Board of Elections no earlier than 12:00 noon on the sixteenth Friday and no later than 12:00 noon on the twelfth Friday before the general election, a notice of candidacy which shall give the candidate's name, address, place of residence and a statement that he desires to be a candidate for membership on the said Rowan-Salisbury Board of Education for the seat for the district in which he resides, or the at-large position for which the candidate is eligible, except in the case of residents of the Salisbury High School Attendance Zone, for the combined election for seats 5 and 6. The results shall be determined on a plurality basis in accordance with G.S. 163-292. One (1) member will be elected from each of the five (5) high school attendance zones, and two (2) members will be elected at large as follows:

Seat No.	Term	School Attendance Zone
1	4 years	North Rowan High School
2	4 years	South Rowan High School
4	4 years	West Rowan High School
6	4 years	At-large (guaranteed to Salisbury High School Attendance Zone for one term)
3	2 years	East Rowan High School
5	2 years	Salisbury High School
7	2 years	At-large (The two at-large seat holders must reside in different high school zones.)

In the initial election, only persons who are residents of the Salisbury High School Attendance Zone may be candidates for seat 6. In the initial election, only persons who are residents of Rowan County but who reside outside the Salisbury High School Attendance Zone may be candidates for seat 7. In each of the other districts, only a person who is a resident of the attendance zone specified for a particular seat may be a candidate for that seat. Each seat shall appear separately on the ballot, but all the qualified voters of the entire county are eligible to vote on all the seats. In the initial election only, the election for seats 5 and 6 shall be combined. The person receiving the highest number of votes shall be elected for a four-year term to seat 6, and the person receiving the next highest number of votes shall be elected for a two-year term to seat 5.

[The terms for seats 3, 5, and 7 will be four (4) years after expiration of the initial two (2) year terms.]

- C. Permanent Board of Education - At the expiration of the terms of the at-large seats on the initially elected Board of Education, those at-large seats will lose all district designation. However, no more than two (2) members of the Board from the same high school attendance zone will serve on the Board at any one time. In subsequent elections for the district 6 seat, only persons who are residents of Rowan County who live outside the attendance zone of the person holding the district 7 seat may be candidates. In subsequent elections for the district 7 seat, only persons who are residents of Rowan County who live outside the attendance zone of the person holding the district 6 seat may be candidates. In each of the other districts, only a person who is a resident of the attendance zone specified for a particular seat may be a candidate for that seat. Each seat shall appear separately on the ballot, but all the qualified voters of the entire county are eligible to vote on all the seats. All terms for the permanent Board will be four (4) years with elections to be held on a non-partisan basis as provided in Chapter 163 of the North

Carolina General Statutes, with the election held on the date for election of county officers as provided by G.S. 163-1 and the results determined by a plurality basis in accordance with G.S. 163-192. Candidates shall file with the Rowan County Board of Elections no earlier than 12:00 noon on the sixteenth Friday and no later than 12:00 noon on the twelfth Friday before the general election, a notice of candidacy which shall give the candidate's name, address, place of residence and a statement that he desires to be a candidate for membership on the said Rowan-Salisbury Board of Education for the seat for the district in which he resides, or the at-large position for which the candidate is eligible.

- D. Organizational Matters - The interim, the first elected, and the permanent Board of Education described above shall be organized as provided in ~~G.S. §115C-41~~ G.S. 115C-41 with vacancies to be filled as provided in ~~G.S. §115C-37~~ G.S. 115C-37 and with members to be compensated as provided in ~~G.S. §115C-38~~ G.S. 115C-38, except that a vacancy in an at-large seat shall be filled for the remainder of the unexpired term. A vacancy in an at-large seat shall be filled by the appointment of a person who resides in the same attendance zone as that of the vacating member. A change in the boundaries of attendance zones shall not affect the ability of any person to complete their term of office.
- E. Effective at the end of June 30, 1989, the Rowan County Board of Education and the Salisbury City Board of Education are abolished."

Sec. 3. This act is effective upon ratification.

In the General Assembly read three times and ratified this the 17th day of June, 1988.

H.B. 837

CHAPTER 891

AN ACT TO PERMIT HOME INSTRUCTION, UNDER CERTAIN CONDITIONS, AS A MEANS OF COMPLYING WITH COMPULSORY SCHOOL ATTENDANCE REQUIREMENTS.

The General Assembly of North Carolina enacts:

Section 1. Article 39 of Chapter 115C of the General Statutes is amended by adding a new Part to read:

"Part 3. Home Schools.

" § 115C-563. *Definitions.*--As used in this Part or Parts 1 and 2 of this section:

(a) 'Home school' means a nonpublic school in which one or more children of not more than two families or households receive academic instruction from parents or legal guardians, or a member of either household.

(b) 'Duly authorized representative of the State' means the Director, Division of Nonpublic Education, or his staff.

" § 115C-564. *Qualifications and requirements.*--A home school shall make the election to operate under the qualifications of either Part 1 or Part 2 of this Article and shall meet the requirements of the Part elected, except that any requirement related to safety and sanitation inspections shall be waived if the school operates in a private residence and except that testing requirements in G.S. 115C-549 and G.S. 115C-557 shall be on an annual basis. The persons providing academic instruction in a home school shall hold at least a high school diploma or its equivalent.

" § 115C-565. *Requirements exclusive.*--No school which complies with this Part shall be subject to any other provision of law relating to education except requirements of law respecting immunization."

Sec. 2. This act is effective upon ratification.

In the General Assembly read three times and ratified this the 20th day of June, 1988.

H.B. 142

CHAPTER 892

AN ACT TO INCREASE THE ANNUAL INCOME TAX EXCLUSION FOR FEDERAL CIVIL SERVICE AND MILITARY RETIREMENT PAY.

The General Assembly of North Carolina enacts:

Section 1. G.S. 105-141(b)(14) and (18) are amended by deleting the phrase "three thousand dollars (\$3,000)" and substituting the phrase "four thousand dollars (\$4,000)".

Sec. 2. This act is effective for taxable years beginning on or after January 1, 1989.

In the General Assembly read three times and ratified this the 20th day of June, 1988.

H.B. 826

CHAPTER 893

AN ACT TO AMEND CHAPTER 50B BY CLARIFYING THE DEFINITION OF BODILY INJURY FOR CHILDREN IN

DOMESTIC VIOLENCE CASES, BY ALLOWING THE FILING OF A MOTION IN CERTAIN EXISTING ACTIONS FOR DOMESTIC VIOLENCE RELIEF, AND BY REQUIRING NOTICE OF HEARINGS FOR EMERGENCY RELIEF.

The General Assembly of North Carolina enacts:

Section 1. G.S. 50B-1 reads as rewritten:

"§ 50B-1. *Domestic violence; definition.*—(a) Domestic violence means the ~~occurrence~~ commission of one or more of the following acts ~~between past or present spouses or between persons of the opposite sex who are living together or have lived together as if married, or between one of such persons and a minor child who is in the custody of or residing with the other person; upon an aggrieved party by a current or former spouse of the aggrieved party or by a person of the opposite sex with whom the aggrieved party lives or has lived as if married;~~

- (1) Attempting to cause bodily injury, or intentionally causing bodily injury; or
- (2) Placing ~~another person~~ the aggrieved party in fear of imminent serious bodily injury by the threat of force.

(b) Notwithstanding the provisions of subsection (a) above, domestic violence also means the commission of one or more of the following acts upon a minor residing with or in the custody of the aggrieved party by a current or former spouse of the aggrieved party or by a person of the opposite sex with whom the aggrieved party lives or has lived as if married:

- (1) Attempting to cause bodily injury, or intentionally causing bodily injury;
- (2) Placing the minor in fear of imminent serious bodily injury by the threat of force; or
- (3) Committing any act defined in G.S. 14-27.2 through 14-27.7."

Sec. 2. G.S. 50B-2 reads as rewritten:

"§ 50B-2. *Institution of civil action; motion for emergency relief; temporary orders.*—(a) A person residing in this State may seek relief under this Chapter by filing a civil action or by filing a motion in any existing action filed under Chapter 50 of the General Statutes alleging acts of domestic violence against himself or herself or a minor child who resides with or is in the custody of such person. The district court division of the General Court of Justice shall have original jurisdiction over actions instituted under this Chapter.

(b) Emergency relief. A party may move the court for emergency relief if he or she believes there is a danger of serious and immediate

injury to himself or herself or a minor child. A hearing on a motion for emergency relief, where no *ex parte* order is entered, shall be held within 10 days of the filing of the motion after five days' notice of the hearing to the other party or after five days from the date of service of process on the other party, whichever occurs first, provided, however, that no hearing shall be required if the service of process is not completed on the other party.

(c) *Ex parte* orders. Prior to the hearing and upon a finding of good cause, the court shall enter such temporary, if it clearly appears to the court from specific facts shown, that there is a danger of acts of domestic violence against the aggrieved party or a minor child, the court may enter such orders as it deems necessary to protect the victim aggrieved party or minor children from such acts of domestic violence provided, however, that a temporary order for custody *ex parte* and prior to service of process and notice shall not be entered unless the court finds that the child is exposed to a substantial risk of bodily injury or sexual abuse. Immediate and present danger of such acts against the victim or minor children shall constitute good cause. Upon the issuance of an *ex parte* order under this subsection, a hearing shall be held within 10 days from the date of issuance of the order or within seven days from the date of service of process on the other party, whichever occurs later."

Sec. 3. Chapter 828 of the 1987 Session Laws of North Carolina is repealed.

Sec. 3.1. G.S. 50-13.5(d) is amended by adding a new subdivision to read:

"(3) A temporary order for custody which changes the living arrangements of a child or changes custody shall not be entered *ex parte* and prior to service of process or notice, unless the court finds that the child is exposed to a substantial risk of bodily injury or sexual abuse or that there is a substantial risk that the child may be abducted or removed from the State of North Carolina for the purpose of evading the jurisdiction of North Carolina courts."

Sec. 4. This act shall become effective October 1, 1988.

In the General Assembly read three times and ratified this the 21st day of June, 1988.

H.B. 2213

CHAPTER 894

AN ACT TO PROVIDE FOR THE DISTRIBUTION OF THE PROCEEDS OF THE SURCHARGE ON LIQUOR SOLD TO LIQUOR BY THE DRINK PERMITTEES IN ALAMANCE COUNTY TO THE CITIES OF BURLINGTON AND GRAHAM.

The General Assembly of North Carolina enacts:

Section 1. Chapter 500 of the 1961 Session Laws is amended by adding a new section to read:

"Sec. 5.1. Notwithstanding the provisions of Section 5 of this act, the proceeds derived from the charge, required by G.S. 18B-804(b)(8), on the sale of spirituous liquor to mixed beverage permittees for resale in mixed beverages, shall be paid out to the General Funds of the Cities of Burlington and Graham on a basis of population according to the latest Federal Decennial census."

Sec. 2. This act is effective upon ratification.

In the General Assembly read three times and ratified this the 21st day of June, 1988.

AN ACT TO CLARIFY THE PROCEDURE FOR THE CONFISCATION AND DISPOSITION OF DEADLY WEAPONS IN ROCKINGHAM COUNTY.

The General Assembly of North Carolina enacts:

Section 1. Section 2-1/2 of Chapter 954, 1965 Session Laws is amended by deleting the phrase "Rockingham".

Sec. 2. Chapter 939, 1957 Session Laws is repealed.

Sec. 3. This act is effective upon ratification.

In the General Assembly read three times and ratified this the 22nd day of June, 1988.

AN ACT TO ENSURE THAT DAY CARE HOME PROVIDERS ARE REPRESENTED ON THE CHILD DAY-CARE COMMISSION.

The General Assembly of North Carolina enacts:

Section 1. G.S.143B-168.4 reads as rewritten:

"§ 143B-168.4. *Child Day-Care Commission-members; selection; quorum.*--The Child Day-Care Commission of the Department of Human Resources shall consist of 15 members. Seven of the members shall be appointed by the Governor and eight by the General Assembly, four upon the recommendation of the President of the Senate, and four upon the recommendation of the Speaker of the House of Representatives. Four of the members appointed by the Governor, two by the General Assembly on the recommendation of the President of the Senate, and two by the General Assembly on the

recommendation of the Speaker of the House of Representatives, shall be members of the public who are not employed in, or providing, day care and who have no financial interest in a day care facility or ~~plan home~~. Two of the foregoing public members appointed by the Governor, one of the foregoing public members recommended by the President of the Senate, and one of the foregoing public members recommended by the Speaker of the House of Representatives shall be parents of children receiving day care services. Three of the members appointed by the Governor shall be day care providers, ~~two one of whom shall be affiliated with a for profit day care plan or facility, one of whom shall be affiliated with a for profit day care home, and one of whom shall be affiliated with a nonprofit plan home or facility.~~ Two of the members appointed by the General Assembly on the recommendation of the President of the Senate, and two by the General Assembly on recommendation of the Speaker of the House of Representatives, shall be day care providers, one affiliated with a for profit day care facility or ~~plan home~~, and one affiliated with a nonprofit day care facility or ~~plan home~~. None may be employees of the State. Members shall be appointed as follows:

(1) Of the Governor's initial appointees, four shall be appointed for terms expiring June 30, 1986, and three shall be appointed for terms expiring June 30, 1987;

(2) Of the General Assembly's initial appointees appointed upon recommendation of the President of the Senate, two shall be appointed for terms expiring June 30, 1986, and two shall be appointed for terms expiring June 30, 1987;

(3) Of the General Assembly's initial appointees appointed upon recommendation of the Speaker of the House of Representatives, two shall be appointed for terms expiring June 30, 1986, and two shall be appointed for terms expiring June 30, 1987.

Appointments by the General Assembly shall be made in accordance with G.S. 120-121. After the initial appointees' terms have expired, all members shall be appointed to serve two-year terms. Any appointment to fill a vacancy on the Commission created by the resignation, dismissal, death, or disability of a member shall be for the balance of the unexpired term.

A vacancy occurring during a term of office is filled:

- (1) By the Governor, if the Governor made the initial appointment;
- (2) By the General Assembly, if the General Assembly made the initial appointment in accordance with G.S. 120-122.

At its first meeting the Commission members shall elect a chairman to serve a two-year term. Chairmen shall be elected for two-year terms thereafter. The same member may serve as chairman for two consecutive terms.

Commission members may be reappointed and may succeed themselves for a maximum of four consecutive terms.

The Commission shall meet quarterly, and at other times at the call of the chairman or upon written request of at least six members.

The members of the Commission shall receive per diem and necessary travel and subsistence expenses in accordance with the provisions of G.S. 138-5. A majority of the Commission shall constitute a quorum for the transaction of business.

All clerical and other services required by the Commission shall be supplied by the Secretary of Human Resources."

Sec. 2. This act shall become effective upon ratification and applies to appointments to be made on or after this date.

In the General Assembly read three times and ratified this the 22nd day of June, 1988.

H.B. 2347

CHAPTER 897

AN ACT TO AMEND THE ACT ESTABLISHING THE LAKE WYLIE MARINE COMMISSION, SO AS TO CONFORM TO A SIMILAR SOUTH CAROLINA LAW SO THAT THE ACTS MAY BE SUBMITTED TO THE CONGRESS OF THE UNITED STATES FOR APPROVAL.

The General Assembly of North Carolina enacts:

Section 1. Section 1 of Chapter 683, Session Laws of 1987, reads as rewritten:

"Section 1. For purposes of this act:

(1) 'Board' means the board of commissioners of ~~one of the three counties~~ Mecklenburg and Gaston Counties, North Carolina and the county council of York County, South Carolina.

(2) 'Commission' means the Lake Wylie Marine Commission or its governing board as the case may be.

(3) 'Commissioner' means a member of the governing board of the Lake Wylie Marine Commission.

(4) 'Three counties' means Mecklenburg and Gaston Counties, North Carolina, and York County, South Carolina.

(5) 'Joint ~~resolution ordinance~~' means ~~a resolution or an ordinance~~ substantially identical in content adopted separately by the governing boards board in each of the three counties.

(6) 'Lake Wylie' means the impounded body of water along the Catawba River in the three counties extending from the base of Mountain Island Dam downstream to the Catawba Dam.

(7) 'Shoreline area' means, except as ~~modified~~ restricted by a joint ~~resolution, ordinance,~~ the area within the three counties lying within

1000 feet of the mean ~~high water~~ high-water line (570 feet) on Lake Wylie. In addition, the shoreline area includes all islands within Lake Wylie and all peninsulas extending into the waters of Lake Wylie.

(8) 'Wildlife Commission' means, ~~except as restricted by a joint resolution,~~ the North Carolina Wildlife Resources Commission and the South Carolina Department of Wildlife and Marine Resources Department."

Sec. 2. Section 2 of Chapter 683, Session Laws of 1987, reads as rewritten:

"Sec. 2. The three counties may by joint ~~resolution~~ ordinance create the Lake Wylie Marine Commission. Upon its creation, the Commission has the powers, duties and responsibilities conferred upon it by joint ~~resolution,~~ ordinance subject to the ~~provisions~~ laws of each applicable state. The ~~provisions~~ of any joint resolution ordinance may be modified, amended, or rescinded by a subsequent joint resolution ordinance. A county may unilaterally withdraw from participation as ~~provided~~ required by any joint ~~resolution ordinance~~ or the provisions of this act, once the commission has been created, ~~and any county may.~~ Any county may, by ordinance, unilaterally withdraw from the commission at the end of any budget period upon ninety days prior written notice. Upon the effectuation of the withdrawal, the Commission is dissolved, and all property of the Commission must be distributed to or divided among the three counties and any other public agency or agencies serving the Lake Wylie area in a manner considered equitable by the Commission by resolution adopted ~~by it~~ prior to dissolution."

Sec. 3. Section 3 of Chapter 683, Session Laws of 1987, reads as rewritten:

"Sec. 3. Upon its creation, the commission shall have a governing board of seven. Except as otherwise provided for the first four-year period, each commissioner shall serve either a three or a four-year term, with commissioners to serve overlapping terms so that two commissioner appointments are made each year. Upon creation of the Commission, the Board of Commissioners of Gaston County shall appoint three commissioners and the boards of the other two counties shall appoint two each. These initial appointees shall serve until September thirtieth following their appointment. Thereafter, appointments ~~shall~~ must be made for terms beginning each October first by the respective boards of the three counties as follows:

(1) First Year: Three commissioners from Gaston, one appointed for a one-year term, one appointed for a three-year term and one appointed for a four-year term; two commissioners from Mecklenburg, one appointed for a one-year term and one appointed for a two-year term; two commissioners from York, one appointed for

a two-year term and one appointed for a three-year term.

(2) Second Year: Two commissioners from Mecklenburg, one appointed for a three-year term and one appointed for a four-year term.

(3) Third year: Two commissioners from York, one appointed for a three-year term and one appointed for a four-year term.

(4) Fourth Year: Two commissioners from Gaston, one appointed for a three-year term and one appointed for a four-year term.

(5) Fifth and Succeeding Years: Appointments for one three-year and one four-year term in rotation by county in the order set out above.

On the death of a commissioner, resignation, incapacity, or inability to serve, as determined by the board appointing ~~such~~ the commissioner, or removal of the commissioner for cause, as determined by the board appointing ~~such~~ the commissioner, the board affected may appoint another commissioner to fill the unexpired term."

Sec. 4. Section 4 of Chapter 683, Session Laws of 1987, reads as rewritten:

"Sec. 4. The joint ~~resolution of the three counties~~ ordinance shall state the terms relating to compensation to commissioners, if any, compensation of consultants and staff members employed by the Commission, and reimbursement of expenses incurred by commissioners, consultants, and employees. The Commission ~~shall be is~~ governed by ~~such~~ these budgetary and accounting procedures as may be specified by joint ~~resolution~~ ordinance."

Sec. 5. Section 5 of Chapter 683, Session Laws of 1987, reads as rewritten:

"Sec. 5. Upon creation of the Commission, its governing board shall meet at a time and place agreed upon by the boards of the three counties concerned. The commissioners shall elect a chairman and such officers as they may choose. All officers shall serve one-year terms. The governing board shall adopt such rules and regulations as it may ~~deem~~ consider necessary, not inconsistent with the provisions of this act or of any joint ~~resolution~~ ordinance or the laws of the appropriate state, for the proper discharge of its duties and for the governance of the commission. In order to conduct business, a quorum must be present. The chairman may adopt those committees as may be authorized by such rules and regulations. The commission shall meet regularly at ~~such~~ those times and places as may be specified in its rules and regulations or in any joint ~~resolution~~ ordinance. However, meetings of the commission must be held in all three counties on a rotating basis so that an equal number of meetings is held in each county. Special meetings may be called as specified in the rules and regulations. As to meetings held within South Carolina,

the provisions of ~~that state's Open Meetings Law, §30-4-60 through §30-4-110, Code of Laws of South Carolina 1976 Chapter 4 of Title 30, Code of Laws of South Carolina, 1976, (Freedom of Information Act)~~ shall apply. As to meetings held within North Carolina, the provisions of that State's Open Meetings Law, Article 33C of Chapter 143 of the North Carolina General Statutes shall apply."

Sec. 6. Section 6 of Chapter 683, Session Laws of 1987, reads as rewritten:

"Sec. 6. (a) Within the limits of funds available to it and subject to the provisions of this act and of any joint ~~resolution~~ ordinance the Commission may:

- (1) Hire and fix the compensation of permanent and temporary employees and staff as it may ~~deem~~ consider necessary in carrying out its duties;
- (2) Contract with consultants for such services as it may require;
- (3) Contract with the States of North Carolina, South Carolina, or the federal government, or any ~~agency or~~ agency, department, or subdivision of them, for property or services as may be provided to or by these agencies and carry out the provisions of these contracts;
- (4) Contract with persons, firms, and corporations generally as to all matters over which it has a proper concern, and carry out the provisions of contracts;
- (5) Lease, rent, purchase, or otherwise obtain suitable quarters and office space for its employees and staff, and lease, rent, purchase, or otherwise obtain furniture, fixtures, vessels, vehicles, firearms, uniforms, and other supplies and equipment necessary or desirable for carrying out the duties imposed in or under the authority of this ~~act~~ act;
- (6) Lease, rent, purchase, construct, otherwise obtain, maintain, operate, repair, and replace, either on its own or in cooperation with other public or private agencies or individuals, any of the following: boat docks, navigation aids, waterway markers, public information signs and notices, and other items of real and personal property designed to enhance public safety in Lake Wylie and its shoreline area, or protection of property in the shoreline area subject however to the provisions of Title 50 ~~of the 1976 Code~~ Code of Laws of South Carolina, 1976, or regulations promulgated under that title as to property within South Carolina, and Chapter 113 of the General Statutes of North Carolina and rules promulgated under that Chapter as to property within North Carolina.

(b) The Commission may accept, receive, and disburse in furtherance of its functions any funds, grants, services, or property made available by the federal government or its agencies or subdivisions, by the States of North Carolina or South Carolina or their agencies or subdivisions, or by private and civic sources.

(c) The governing ~~boards~~ bodies of the three counties may appropriate funds to the Commission out of surplus funds or funds derived from nontax sources. They may appropriate funds out of tax revenues and may also levy annually taxes for the payments of such appropriation as a special purpose, in addition to any allowed by the Constitution or in North Carolina as provided by G.S. 153A-149.

(d) The Commission ~~shall be~~ is subject to those audit requirements as may be specified in any joint ~~resolution~~ ordinance.

(e) In carrying out its duties and either in addition to or in lieu of exercising various provisions of the above authorization, the Commission may, with the agreement of the governing board of the county concerned, utilize personnel and property of or assign responsibilities to any officer or employee of any of the three counties. Such contribution in kind, if substantial, may with the agreement of the other two counties be ~~deemed~~ considered to substitute in whole or in part for the financial contribution required of ~~such~~ that county in support of the Commission.

(f) Unless otherwise specified by joint ~~resolution~~ ordinance, each of the three counties shall annually contribute an equal financial contribution to the Commission in an amount appropriate to support the activities of the Commission in carrying out its duties."

Sec. 7. Section 7 of Chapter 683, Session Laws of 1987, reads as rewritten:

"Sec. 7. (a) A copy of the joint ~~resolution~~ ordinance creating the Commission and of any joint ~~resolution~~ ordinance amending or repealing the joint ~~resolution~~ ordinance creating the Commission shall ~~shall~~ must be filed with the Executive Director of the North Carolina Wildlife Resources Commission and the Executive Director of the South Carolina Department of Wildlife and Marine Resources. When the Executive ~~Director receives resolutions~~ Directors receive ordinances that are in substance identical from all three counties concerned, ~~the executive Director~~ they, in accordance with procedures agreed upon, shall, within 10 days, ~~so certify~~ certify this fact and distribute a certified single ~~resolution~~ ordinance text to the following:

- (1) The Secretary of State of North Carolina and the Secretary of State of South Carolina;
- (2) The clerk to the governing board of each of the three counties;

(3) The clerk of superior court of Mecklenburg and Gaston Counties and the clerk of court of York County. Upon request, the ~~Executive Director~~ Executive Directors also shall send a certified single copy of any and all applicable joint ~~resolutions—ordinances~~ to the chairman of the Commission;

(4) A newspaper of general circulation in the three counties.

(b) Unless a joint ~~resolution—ordinance~~ specifies a later date, it shall take effect when the ~~Executive Director's~~ Directors' certified text has been submitted to the Secretaries of State for filing. Certifications of the ~~Executive Director~~ Directors under the seal of the Commission as to the text or amended text of any joint ~~resolution—ordinance~~ and of the date or dates of submission to the Secretaries of State ~~shall be~~ is admissible in evidence in any court. Certifications by any clerk of superior court or county clerk of court of the text of any certified ~~resolution—ordinance~~ filed with him by the ~~Executive Director~~ Directors is admissible in evidence and the ~~Executive Director's~~ Directors' submission of the ~~resolution—ordinance~~ for filing to the clerk shall constitute *prima facie* evidence that ~~such resolution—the ordinance~~ was on the date of submission also submitted for filing with the Secretary of State. Except for the certificate of a clerk as to receipt and date of submission, no evidence may be admitted in court concerning the submission of the certified text of any ~~resolution—ordinance~~ by the ~~Executive Director~~ Directors to any person other than the Secretary of State."

Sec. 8. Section 8 of Chapter 683, Session Laws of 1987, reads as rewritten:

"Sec. 8. (a) Except as limited in subsection (b) of this section, by restrictions in any joint ~~resolution—ordinance~~ and by other supervening provisions of law, the Commission may make regulations applicable to Lake Wylie and its shoreline area concerning all matters relating to or affecting the use of Lake Wylie. These regulations may not conflict with or supersede provisions of general or special acts or of regulations of state agencies promulgated under the authority of general law. No regulations adopted under the provisions of this section may be adopted by the Commission except after public hearing, with publication of notice of the hearing ~~being given~~ in a newspaper of general circulation in the three counties at least 10 days before the hearing. In lieu of or in addition to passing regulations supplementary to state law and regulations concerning the operation of vessels on Lake Wylie, the Commission may, after public notice, request that the North Carolina Wildlife Resources Commission and the South Carolina Department of Wildlife and Marine Resources pass

local regulations on this subject in accordance with the procedure established by appropriate state law.

(b) Violation of any regulation of the Commission commanding or prohibiting an act ~~shall be~~ is a misdemeanor punishable by a fine not to exceed two hundred dollars ~~(\$200.00)~~ or 30 days imprisonment.

(c) The regulations promulgated under this section take effect upon passage or upon such dates as may be stipulated in the regulations except that no regulation may be enforced unless adequate notice of the regulation has been posted in or on Lake Wylie or its shoreline area. Adequate notice as to a regulation affecting only a particular location may be by a sign, uniform waterway marker, posted notice, or other effective method of communicating the essential provisions of the regulation in the immediate vicinity of the location in question. Where a regulation applies generally as to Lake Wylie or its shoreline area, or both, there must be a posting of notices, signs, or markers communicating the essential provisions in at least three different places throughout the area and it must be printed in a newspaper of general circulation in the three counties.

(d) A copy of each regulation promulgated under this section must be filed by the Commission with the following persons:

- (1) The Secretaries of State of North and South Carolina;
- (2) The clerk of superior court of Mecklenburg and Gaston ~~County Counties~~ and the clerk of court of York County;
- (3) The Executive Directors of the Wildlife Resources Commission of North Carolina and South Carolina Wildlife and Marine Resources Department.

(e) Any official designated in subsection (d) above may issue certified copies of regulations filed with him under the seal of his office. ~~Such~~ These certified copies may be received in evidence in any proceeding.

(f) Publication and filing of regulations promulgated under this section as required above is for informational purposes and ~~shall not be~~ is not a prerequisite to their validity if they in fact have been duly promulgated, the public has been notified as to the substance of regulations, a copy of the text of all regulations is in fact available to any person who may be affected, and no party to any proceeding has been prejudiced by any defect that may exist with respect to publication and filing. Rules and regulations promulgated by the Commission under the provisions of other sections of this act relating to internal governance of the Commission need not be filed or published. Where posting of any sign, notice, or marker or the making of other communication is essential to the validity of a regulation duly promulgated, it ~~shall be~~ is presumed in any proceeding that prior notice was given and maintained and the burden lies upon

the party asserting to the contrary to prove lack of adequate notice of any regulation."

Sec. 9. Section 9 of Chapter 683, Session Laws of 1987, reads as rewritten:

"Sec. 9. (a) Where a joint ~~resolution~~ ordinance so provides, all law enforcement officers, or those officers as may be designated in the joint ~~resolution~~ ordinance, with territorial jurisdiction as to any part of Lake Wylie or its shoreline area ~~shall~~, within the limitations of their subject matter jurisdiction, have the authority of peace officers in enforcing the laws over all of Lake Wylie and its shoreline area.

(b) Where a joint ~~resolution~~ ordinance provides it, the Commission may hire special officers to patrol and enforce the laws on Lake Wylie and its shoreline area. These special officers have and may exercise all the powers of peace officers generally within the area in question and shall take the oaths and ~~be~~ are subject to all provisions of law relating to law enforcement officers.

(c) Every criminal violation must be tried in the county where it occurred. However, a certificate of training by the South Carolina Criminal Justice Academy, or a similar certificate issued by the North Carolina Criminal Justice Education and Training Standards Commission or the North Carolina Sheriffs' Education and Training Standards Commission will suffice for certification in both states for the purposes of this act.

(d) Where a law enforcement officer with jurisdiction over any part of Lake Wylie or its shoreline area is performing duties relating to the enforcement of the laws on Lake Wylie or in its shoreline area, he has such extraterritorial jurisdiction as may be necessary to perform his duties. These duties include investigation of crimes an officer reasonably believes have been, or are about to be, committed within the area in question. This ~~included~~ includes traversing by reasonable routes from one portion of ~~such~~ this area to another although across territory not within the boundaries of Lake Wylie and its shoreline area; conducting prisoners in custody to ~~such~~ a court or detention facilities as may be authorized by law, although this may involve going outside the area in question; execution of process connected with any criminal offense alleged to have been committed within the boundaries in question, except that ~~such~~ this process may not be executed by virtue of this provision beyond the boundaries of the three counties. This also includes continuing pursuit of and arresting any violator or suspected violator as to which grounds for arrest arose within the area in question.

(e) Where law enforcement officers are given additional territorial jurisdiction under the provisions of this section, this ~~shall be deemed~~

is considered an extension of the duties of the office held and no officer shall take any additional oath or title of office."

Sec. 10. Section 10 of Chapter 683, Session Laws of 1987, reads as rewritten:

"Sec. 10. This act shall become effective ~~on the later of:~~

~~(1) March 1, 1988; and~~

~~(2) upon enactment by the State of South Carolina and upon approval by the Congress of the United States.~~

Either North Carolina or South Carolina may withdraw from this Compact by enacting a statute repealing the same, but no ~~such~~ withdrawal ~~shall become~~ is effective until the Governor of the withdrawing state ~~shall have~~ has sent formal notice in writing to the Governor of each other party state informing ~~said the~~ said the Governors of the action of the legislature in repealing the Compact and declaring an intention to withdraw. ~~Such This withdrawal shall be~~ is effective on a date set by the withdrawing state, but not less than 90 days after enactment of the withdrawal statute. In case of ~~such the~~ the withdrawal, the property of the Commission ~~shall must~~ must be divided in an equitable manner by the Commission as if dissolution had occurred under Section 2 of this act."

Sec. 11. This act is effective upon ratification.

In the General Assembly read three times and ratified this the 22nd day of June, 1988.

S.B. 285

CHAPTER 898

AN ACT TO CLARIFY THE NORTH CAROLINA REGIONAL RECIPROCAL BANKING ACT.

The General Assembly of North Carolina enacts:

Section 1. G.S. 53-211(a)(1) is amended by deleting the word "all".

Sec. 2. G.S. 53-211(b) is rewritten to read as follows:

"(b) A regional bank holding company that has a North Carolina bank subsidiary (other than a North Carolina bank subsidiary that was acquired either pursuant to Section 116 or Section 123 of the Garn-St. Germain Depository Institutions Act of 1982 (12 U.S.C. 1730a(m), 1823 (f) or in the regular course of securing or collecting a debt previously contracted in good faith, as provided in Section 3(a) of the Bank Holding Company Act of 1956 as amended (12 U.S.C. 1842(a)) may acquire any North Carolina bank or North Carolina bank holding company with the approval of the Commissioner. The regional bank holding company shall submit to the Commissioner an application for

approval of such acquisition, which application shall be approved only if the Commissioner makes the acquisition subject to any conditions, restrictions, requirements or other limitations that would apply to the acquisition by a North Carolina bank holding company of a bank or bank holding company in the State where the regional bank holding company making the acquisition has its principal place of business but that would not apply to the acquisition of a bank or bank holding company in such state by a bank holding company all the bank subsidiaries of which are located in that state."

Sec. 3. This act is effective upon ratification.

In the General Assembly read three times and ratified this the 23rd day of June, 1988.

S.B. 666

CHAPTER 899

AN ACT TO INCLUDE TEXAS IN THE NORTH CAROLINA INTERSTATE BANKING REGION.

The General Assembly of North Carolina enacts:

Section 1. G.S. 53-210(11) reads as rewritten:

"(11) 'Region' means the states of Alabama, Arkansas, Florida, Georgia, Kentucky, Louisiana, Maryland, Mississippi, North Carolina, South Carolina, Tennessee, Texas, Virginia and West Virginia, and the District of Columbia."

Sec. 2. This act is effective upon ratification.

In the General Assembly read three times and ratified this the 23rd day of June, 1988.

H.B. 2208

CHAPTER 900

AN ACT TO ALLOW ALAMANCE COUNTY TO NAME AND ASSIGN STREET NUMBERS TO PRIVATE ROADS IN UNINCORPORATED AREAS.

The General Assembly of North Carolina enacts:

Section 1. Section 3 of Chapter 1319, Session Laws of 1979 (Second Session 1980), as amended by Chapter 568, Session Laws of 1981, and as further amended by Chapter 98, Session Laws of 1983, reads as rewritten:

"**Sec. 3.** This act applies only to Brunswick, Cabarrus, Avery, Alamance, and New Hanover Counties."

Sec. 2. This act is effective upon ratification.

In the General Assembly read three times and ratified this the 23rd day of June, 1988.

S.B. 1589

CHAPTER 901

AN ACT TO MAKE TECHNICAL CHANGES TO THE LEGISLATION AUTHORIZING CREATION OF THE WILSON TOURISM DEVELOPMENT AUTHORITY.

The General Assembly of North Carolina enacts:

Section 1. Section 2(b) of Chapter 484 of the 1987 Session Laws reads as rewritten:

"(b) Terms of office. Members of the Authority shall serve three-year terms except that the initial appointees shall serve the following terms:

- (1) Members appointed pursuant to subdivisions (a)(1) and (a)(2) of this section shall serve one-year terms.
- (2) Of the members appointed pursuant to subdivision ~~(a)(3)~~ (a)(4) of this section, the appointee of the Wilson City Council shall serve a three-year term and the appointee of the board of commissioners shall serve a two-year term.
- (3) Of the members appointed pursuant to subdivision ~~(a)(4)~~ (a)(3) of this section, the appointee of the Wilson City Council shall serve a one-year term, the appointee of the board of commissioners shall serve a three-year term, and the appointee of the Chamber of Commerce shall serve a two-year term."

Sec. 2. Section 2(d) of Chapter 484 of the 1987 Session Laws reads as rewritten:

"(d) Reports. The Authority shall report ~~quarterly and~~ at the close of the fiscal year to the board of county commissioners on its receipts and expenditures for the preceding ~~quarter and for the~~ year in such detail as the board may require."

Sec. 3. This act is effective upon ratification.

In the General Assembly read three times and ratified this the 23rd day of June, 1988.

S.B. 1604

CHAPTER 902

AN ACT CONCERNING THE REGULATION, RESTRAINT, AND PROHIBITION OF JUNKED MOTOR VEHICLES IN MECKLENBURG COUNTY.

The General Assembly of North Carolina enacts:

Section 1. G.S. 153A-132.2 reads as rewritten:

" § 153A-132.2. *Regulation, restraint and prohibition of abandonment of junked motor vehicles.*--(a) Dare, Alamance, Ashe, Bladen, Brunswick, Burke, Cabarrus, Caldwell, Cumberland, Davie, Gaston, Guilford, Halifax, Henderson, Iredell, Jackson, Lincoln, ~~Mecklenburg~~, Moore, New Hanover, Pender, Rockingham, Rowan, Surry, Wake, Wayne, Stokes, Alleghany, Carteret and Columbus Counties may by ordinance regulate, restrain or prohibit the abandonment of junked motor vehicles on public grounds and on private property within the county's ordinance-making jurisdiction upon a finding that such regulation, restraint or prohibition is necessary and desirable to promote or enhance community, neighborhood or area appearance. The authority granted by this section shall be supplemental to any other authority conferred upon counties. Nothing in this section shall be construed to authorize a county to require the removal or disposal of a motor vehicle kept or stored at a bona fide 'automobile graveyard' or 'junkyard' as defined in G.S. 136-143.

For purposes of this section, the term 'junked motor vehicle' means a vehicle that does not display a current license plate and that:

- (1) Is partially dismantled or wrecked; or
- (2) Cannot be self-propelled or moved in the manner in which it originally was intended to move; or
- (3) Is more than five years old and appears to be worth less than one hundred dollars (\$100.00).

(b) Any ordinance adopted pursuant to this section shall include a prohibition against removing or disposing of any motor vehicle that is used on a regular basis for business or personal use."

Sec. 2. (a) A county may by ordinance regulate, restrain or prohibit junked motor vehicles on public grounds and on private property within the county's ordinance-making jurisdiction upon a finding that such regulation, restraint or prohibition is necessary and desirable to promote or enhance community, neighborhood or area appearance. The authority granted by this section shall be supplemental to any other authority conferred upon the county.

(b) For purposes of this section, the term "junked motor vehicle" means a vehicle that does not display a current license plate and that:

- (1) Is partially dismantled or wrecked; or
- (2) Cannot be self-propelled or moved in the manner in which it originally was intended to move; or
- (3) Is more than five years old and appears to be worth less than one hundred dollars (\$100.00).

(c) Any ordinance adopted pursuant to this section shall include a prohibition against removing or disposing of any motor vehicle that is used on a regular basis for business or personal use.

(d) This section applies to Mecklenburg County only.

Sec. 3. This act is effective upon ratification.

In the General Assembly read three times and ratified this the 23rd day of June, 1988.

S.B. 1610

CHAPTER 903

AN ACT TO EXEMPT THE TOWN OF BETHEL AND THE
TOWN OF ROBERSONVILLE FROM CERTAIN ZONING
NOTICE REQUIREMENTS.

The General Assembly of North Carolina enacts:

Section 1. Notwithstanding G.S. 160A-384 or any other provision of law, a city shall not be required to mail any notice of proposed zoning classification actions to any property owner or other person.

Sec. 2. Section 1 of this act applies only to the Town of Bethel and the Town of Robersonville.

Sec. 3. This act is effective upon ratification.

In the General Assembly read three times and ratified this the 23rd day of June, 1988.

S.B. 1617

CHAPTER 904

AN ACT TO AMEND CHAPTER 505 OF THE 1983 SESSION
LAWS, REGARDING THE WILMINGTON FIREMEN'S
BENEFIT FUND.

The General Assembly of North Carolina enacts:

Section 1. Section 3 of Chapter 505 of the 1983 Session Laws reads as rewritten:

"Sec. 3. Firemen's Benefits. Each retired fireman of the City, who is receiving retirement or disability benefits from the Firemen's Pension Fund of Wilmington, North Carolina or the North Carolina Local Governmental Employees' Retirement System, shall be entitled to and shall receive in each calendar year following the calendar year in which he retires the following supplemental retirement benefits: one share for each full year of service as a full-time fireman of the City of ~~Wilmington; provided that the~~ Wilmington. Each surviving spouse or beneficiary of a fireman who is receiving retirement or

disability benefits from the Firemen's Pension Fund of Wilmington, North Carolina or the North Carolina Local Governmental Employees' Retirement System shall be entitled to and shall receive in each calendar year following the calendar year in which the retired fireman dies, the following supplemental benefit: ~~a percent of a one share for each full year of service of the employee as a full-time fireman of the City of Wilmington as determined by the spouse or beneficiary provision of the retirement fund; provided further in no event shall any retired fireman or surviving spouse or beneficiary be entitled to receive in any year an annual supplemental retirement benefit in excess of six hundred dollars (\$600.00).~~"

Sec. 2. Nothing in this act creates a liability for the Wilmington Firemen's Benefit Fund unless there are sufficient current assets in the fund to pay fully for the liability.

Sec. 3. This act is effective upon ratification.

In the General Assembly read three times and ratified this the 23rd day of June, 1988.

H.B. 2199

CHAPTER 905

AN ACT TO ALLOW THE CITY OF BREVARD TO DISPOSE OF CERTAIN REAL PROPERTY BY PRIVATE NEGOTIATION AND SALE.

The General Assembly of North Carolina enacts:

Section 1. Notwithstanding Article 12 of Chapter 160A of the General Statutes, the City of Brevard may convey by negotiation and private sale, with or without monetary consideration, any or all of its rights, title, and interest in two parcels of property located within the City of Brevard, Transylvania County, North Carolina, and particularly described as follows:

Parcel No. 1: A strip of land comprising the right of way of the Transylvania Railroad Company lying within the limits of the City of Brevard, North Carolina, extending from Milepost 21.8 to Milepost 23.6, and varying in width from 70 feet to 125 feet; containing 21.39 acres, more or less. Being the same property conveyed to the City of Brevard by the Transylvania Railroad Company by deed dated February 25, 1980, and recorded in Book 246, page 441, Transylvania County Register of Deeds.

Parcel No. 2: BEGINNING at a point in the center of the railroad tacks of the Southern Railway trestle over Lambs Creek, and runs thence with the center line of said railroad tracks, North 89 deg. 55 min. West 109.84 ft. to a stake; thence North 00 deg. 05 min. East (crossing Allison Creek at 27 ft.) 50 ft. to an iron pin in the

Southwest margin of the right-of-way of a proposed 60 ft. road; thence North 89 deg. 55 min. East with said margin of said road (passing an iron pin at 73.08 ft.) 101.79 ft. to a point in the center of Lambs Creek; thence down and with Lambs Creek South 29 deg. 37 min. East 86.76 ft. to the BEGINNING. Being the same property conveyed to the City of Brevard by Edith Lowe Thomas (widow) by deed dated August 1, 1972, and recorded in Book 196, page 410, Transylvania County Register of Deeds. The easements and special conditions as shown on the deed recorded at Book 196, page 410, shall continue and not be extinguished by conveyance of the property.

Sec. 2. This act applies to the City of Brevard only.

Sec. 3. This act is effective upon ratification.

In the General Assembly read three times and ratified this the 23rd day of June, 1988.

S.B. 1565

CHAPTER 906

AN ACT TO ALLOW CLEVELAND COUNTY TO NAME AND ASSIGN STREET NUMBERS TO PRIVATE ROADS IN UNINCORPORATED AREAS.

The General Assembly of North Carolina enacts:

Section 1. Section 3 of Chapter 1319, Session Laws of 1979, as rewritten by Chapter 98, Session Laws of 1983, and as amended by Chapter 299, Session Laws of 1983, is amended by adding immediately after "Cabarrus," the word "Cleveland,".

Sec. 2. This act is effective upon ratification.

In the General Assembly read three times and ratified this the 23rd day of June, 1988.

H.B. 2241

CHAPTER 907

AN ACT TO PERMIT CERTAIN COMMUNITY COLLEGES TO GRANT SECURITY INTERESTS TO FEDERAL AGENCIES.

The General Assembly of North Carolina enacts:

Section 1. G.S. 115D-58.1 reads as rewritten:

"§ 115D-58.1. *Federal contracts and grants.*--The board of trustees of any institution may apply for and accept grants from the federal government or any agency thereof, in order to carry out the institution's mission. In exercising this authority, the board of trustees may enter into and carry out contracts with the federal government or any agency thereof, may agree to and comply with any

lawful and reasonable condition attached to such a grant including, in the case of a grant from the Economic Development Administration, the granting of a security interest to the Economic Development Administration in any real property or equipment purchased with the grant, limiting the sale or use of the real property or equipment as prescribed by regulations of the Economic Development Administration. and may make expenditures from any funds so granted. The State Board of Community Colleges shall adopt rules and regulations governing the application for and the acceptance of grants under this section."

Sec. 2. This act applies only to Haywood Community College and Roanoke-Chowan Community College.

Sec. 3. This act is effective upon ratification.

In the General Assembly read three times and ratified this the 23rd day of June, 1988.

H.B. 2245

CHAPTER 908

AN ACT TO ALLOW THE GOVERNING BODY OF WAKE COUNTY OR ITS INCORPORATED MUNICIPALITIES TO CONTRACT WITH BANKS AND OTHER FINANCIAL INSTITUTIONS FOR RECEIPT OF PAYMENT OF PROPERTY TAXES.

The General Assembly of North Carolina enacts:

Section 1. Section 4 of Chapter 284, Session Laws of 1983, reads as rewritten:

"**Sec. 4.** This act applies only to Gaston County, Wake County, and municipalities and special districts located in those counties."

Sec. 2. This act is effective upon ratification.

In the General Assembly read three times and ratified this the 23rd day of June, 1988.

H.B. 2249

CHAPTER 909

AN ACT TO ALLOW MCDOWELL COUNTY TO CONVEY CERTAIN PROPERTY AT PRIVATE SALE.

The General Assembly of North Carolina enacts:

Section 1. Notwithstanding G.S. 153A-176 or Article 12 of Chapter 160A of the General Statutes, McDowell County may convey to any governmental unit, nonprofit corporation, or nonprofit association, at private sale, with or without monetary consideration, any or all of its right, title and interest in the following described

property, in Marion Township of McDowell County, for use to build a recreational, cultural or civic type facility for the people of McDowell County:

TRACT ONE: BEGINNING on an iron pin in the Southern city limits line of the City of Marion, which said beginning point is located North 86 degrees 36 minutes 20 seconds West 202.46 feet from the fifth corner of that certain tract of land described in a deed from Hugh Bailey Nystrom to Hugh Bailey Nystron and his wife, Cecelia Grace Nystrom, dated December ____, 1965, and which is recorded in Book 186, Page 608, of McDowell County Deed Records, and runs thence from said beginning point South 6 degrees 36 minutes West 56.91 feet to an iron pin; thence South 12 degrees 01 minute West 34.71 feet to an iron pin; thence South 15 degrees 44 minutes 30 seconds West 34.73 feet to an iron pin; thence South 19 degrees 33 minutes West 34.92 feet to an iron pin; thence South 23 degrees 17 minutes West 34.64 feet to an iron pin; thence South 27 degrees 21 minutes West 33.77 feet to an iron pin; thence South 31 degrees 08 minutes West 34.82 feet to an iron pin; thence South 34 degrees 45 minutes West 36.10 feet to an iron pin; thence South 38 degrees 07 minutes West 36.83 feet to an iron pin; thence South 40 degrees 57 minutes West 41.14 feet to an iron pin; thence South 42 degrees 43 minutes West 45.20 feet to an iron pin; thence South 43 degrees 31 minutes 30 seconds West 285.04 feet to an iron pin; thence South 46 degrees 28 minutes 30 seconds East 230.0 feet to a point in the center of County Secondary Road 1001; thence along and with the center of said County Secondary Road 1001, South 43 degrees 31 minutes 30 seconds West 200.0 feet to a point in the center of said road; thence North 46 degrees 28 minutes 30 seconds West 230.0 feet to an iron pin; thence South 43 degrees 31 minutes 30 seconds West 450.53 feet to an iron pin; thence North 88 degrees West 265.52 feet to an iron pin; thence South 56 degrees 25 minutes west 626.69 feet to a stake in the North margin of an old woods road; thence North 73 degrees 58 minutes 48 seconds West 55.85 feet to an iron pin; thence North 86 degrees 16 minutes West 38.15 feet to an iron pin; thence North 3 degrees 31 minute 30 seconds West 1478.58 feet to a point in the center of the right-of-way of the Southern Railroad Company; thence South 86 degrees 36 minutes 20 seconds east 2003.04 feet to the point of BEGINNING. Containing 39.92 acres, more or less, and being a part of the lands described in said deed from Hugh Bailey Nystrom to Hugh Bailey Nystrom and wife, Cecelia Grace Nystrom.

AND BEING THE SAME LAND as described in and conveyed by deed dated November 29, 1979 from Hugh Bailey Nystrom and wife, Cecelia Grace Nystrom; Oscar Arvid Nystrom, Jr. and wife, Nancy Tom Nystrom to McDowell County Board of Education, recorded in

Book 289, Page 542 of the McDowell County Public Registry.

EXCEPTING from this conveyance that parcel heretofore conveyed by deed dated August 30, 1983 to McDowell County, recorded in Book 322, Page 921 of the McDowell County Public Registry.

TRACT TWO: BEGINNING on an existing iron pin, said iron pin being the 17th corner of the McDowell County Board of Education property as described in a deed from Hugh Bailey Nystrom et al, to McDowell County Board of Education dated November 29, 1979 and recorded in Book 289, Page 542 of the McDowell County Deed Registry runs thence from said beginning iron pin South 43 degrees 55 minutes 36 seconds East 234.78 feet to a point in Sugar Hill Road (State Road 1001); thence with said Sugar Hill Road, North 45 degrees 28 minutes 00 seconds East 450.56 feet to a point; thence leaving Sugar Hill Road, North 43 degrees 55 minutes 36 seconds West (passing an iron pin at 50.00 feet) a total of 230.00 feet to an existing iron pin, the 16th corner of the McDowell County Board of Education property; thence South 46 degrees 04 minutes 24 seconds West 450.53 feet to the BEGINNING. Containing 2.40 acres, description furnished by R.L. Greene Surveying and Mapping.

TRACT THREE: BEGINNING at an existing iron pin at the margin of Sugar Hill Road, said iron pin being the 10th corner of the McDowell County, North Carolina property of which this description is a part, and running thence from said beginning point, North 84 degrees 03 minutes 26 seconds West 202.46 feet to an existing iron pin, the beginning corner of the McDowell County Board of Education property (Deed Book 289, Page 542); thence with the McDowell County Board of Education property the following thirteen bearing and distances: South 09 degrees 08 minutes 54 seconds West 56.91 feet to an existing iron pin; South 14 degrees 33 minutes 54 seconds West 34.71 feet to an existing iron pin; South 18 degrees 17 minutes 24 seconds West 34.73 feet to an existing iron pin; South 22 degrees 05 minutes 54 seconds West 34.92 feet to an existing iron pin; South 25 degrees 49 minutes 54 seconds West 34.64 feet to an existing iron pin; South 29 degrees 53 minutes 54 seconds West 33.77 feet to an existing iron pin; South 33 degrees 40 minutes 54 seconds West 34.82 feet to an existing iron pin; South 37 degrees 17 minutes 54 seconds West 36.10 feet to an existing iron pin; South 40 degrees 39 minutes 54 seconds West 36.83 feet to an existing iron pin; South 43 degrees 29 minutes 54 seconds West 41.14 feet to an existing iron pin; South 45 degrees 15 minutes 00 seconds West 45.20 feet to an existing iron pin; South 46 degrees 04 minutes 24 seconds West 285.04 feet to an existing iron pin; South 43 degrees 55 minutes 36 seconds East (passing an iron pin at 180.00 feet) a total of 230.00 feet to a point in the centerline of Sugar Hill Road (State Road

1001); thence with the said Sugar Hill Road the following twelve (12) bearings and distances: North 46 degrees 04 minutes 24 seconds East 286.69 feet; North 45 degrees 15 minutes 00 seconds East 50.37 feet; North 43 degrees 29 minutes 54 seconds East 50.34 feet; North 40 degrees 39 minutes 54 seconds East 49.28 feet; North 37 degrees 17 minutes 54 seconds East 50.12 feet; North 33 degrees 40 minutes 54 seconds East 49.68 feet; North 29 degrees 53 minutes 54 seconds East 49.53 feet; North 25 degrees 49 minutes 54 seconds East 50.30 feet; North 22 degrees 05 minutes 54 seconds East 50.06 feet; North 18 degrees 17 minutes 24 seconds East 49.86 feet; North 14 degrees 33 minutes 54 seconds East 53.07 feet; North 08 degrees 54 minutes 36 seconds East 80.65 feet to a point; thence leaving said Sugar Hill Road, North 84 degrees 03 minutes 26 seconds West 27.54 feet to the BEGINNING. Containing 4.17 acres, description furnished by R.L. Greene Mapping and surveying.

AND BEING THE SAME LANDS as described in and conveyed by deed dated September 6, 1983 from McDowell County, a municipal corporation, to McDowell County Board of Education recorded in Book 322, Page 905 of the McDowell County Public Registry.

This conveyance is made SUBJECT TO the right-of-way agreement dated July 24, 1984 between the McDowell County Board of Education and North Carolina Department of Transportation recorded in Book 336, Page 110 of the McDowell County Public Registry.

Sec. 1.1. Notwithstanding G.S. 153A-176 or Article 12 of Chapter 160A of the General Statutes, McDowell County may convey to any governmental unit, nonprofit corporation, or nonprofit association, at private sale, with or without monetary consideration, any or all of its right, title and interest in the following described property, in Marion Township of McDowell County.

BEGINNING at an existing iron pin located in the property line of William Woessner (Deed Book 242 at page 433, McDowell County Register of Deeds), said existing iron pin also being the Eastern corner of the McDowell Hospital property (Deed Book 312 at page 720) and runs from said beginning point with McDowell Hospital property line, North 31 degrees 03 minutes 00 seconds West 268.96 feet to an existing iron pin, said existing iron pin being the South corner of the McDowell Medical Park property (Deed Book 330 at page 594); thence with McDowell Medical Park property, North 59 degrees 45 minutes 36 seconds East 267.68 feet to an existing iron pin; thence South 83 degrees 43 minutes 06 seconds East 38.15 feet to an existing iron pin; thence South 71 degrees 25 minutes 54 seconds East 55.85 feet to an existing iron pin; thence North 58 degrees 57 minutes 54 seconds East 532.62 feet to an existing iron pin, said existing iron pin being common corner of McDowell

Medical Park and McDowell County Board of Education (Deed Book 289 at page 542 and Deed Book 322 at page 905); thence with McDowell County Board of Education's property line, North 58 degrees 57 minutes 54 seconds East 94.07 feet to an existing iron pin; thence South 85 degrees 27 minutes 06 seconds East 265.52 feet to an existing iron pin, said existing iron pin being the Western corner of the McDowell County Board of Education property (Deed Book 322 page 905, Tract 1); thence with the McDowell County Board of Education property line (Tract 1), South 43 degrees 55 minutes 36 seconds East 234.78 feet to a point in the center of SR#1001 (Sugar Hill Road); thence with Sugar Hill Road, South 45 degrees 28 minutes 00 seconds West 33.36 feet to a point in the center of the intersection of SR#1001 (Sugar Hill Road) and Rankin Drive; thence continuing with SR#1001, South 41 degrees 22 minutes 36 seconds West 23.42 feet to a point, said point being located in the property line of W. C. Hall (Deed Book 134 at page 504); thence with Hall property line, North 85 degrees 28 minutes 12 seconds West 341.98 feet to a 15" maple; thence South 58 degrees 56 minutes 54 seconds West 896.18 feet to the point of BEGINNING, containing 6.27 acres, DMD, description based on survey prepared by R. L. Greene Surveying & Mapping, dated May 10, 1985, License #L-1517.

AND BEING a portion of the lands described in that certain Deed to McDowell County recorded in Deed Book 296 at page 933 and Deed Book 322 at page 921, McDowell County Register of Deeds to which reference is hereby made.

SUBJECT to the right of ways of Rankin Drive, SR#1001 (Sugar Hill Road), and all easements of record.

Sec. 2. This act is effective upon ratification.

In the General Assembly read three times and ratified this the 23rd day of June, 1988.

H.B. 2253

CHAPTER 910

AN ACT TO MAKE IT A CRIMINAL OFFENSE IN WASHINGTON COUNTY FOR A PERSON TO OBTAIN AMBULANCE SERVICES WITHOUT INTENDING TO PAY FOR THOSE SERVICES ALTHOUGH FINANCIALLY ABLE TO PAY AND TO MAKE IT A CRIMINAL OFFENSE IN WASHINGTON COUNTY FOR A PERSON TO MAKE AN UNNEEDED AMBULANCE REQUEST.

The General Assembly of North Carolina enacts:

Section 1. G.S. 14-111.2 reads as rewritten:

" § 14-111.2. *Obtaining ambulance services without intending to pay therefor -- certain named counties.*

Any person who with intent to defraud shall obtain ambulance services without intending at the time of obtaining such services to pay, if financially able, any reasonable charges therefor shall be guilty of a misdemeanor punishable by a fine not to exceed five hundred dollars (\$500.00), imprisonment for not more than six months, or both. A determination by the court that the recipient of such services has willfully failed to pay for the services rendered for a period of 90 days after request for payment, and that the recipient is financially able to do so, shall raise a presumption that the recipient at the time of obtaining the services intended to defraud the provider of the services and did not intend to pay for the services.

The section shall apply to Anson, Ashe, Beaufort, Caldwell, Caswell, Catawba, Chatham, Cherokee, Clay, Cleveland, Cumberland, Davie, Duplin, Forsyth, Gaston, Guilford, Haywood, Henderson, Hoke, Hyde, Iredell, Macon, Mecklenburg, Montgomery, Orange, Pasquotank, Person, Randolph, Robeson, Rockingham, Scotland, Stanly, Surry, Transylvania, Union, Vance, Washington, Wilkes and Yadkin Counties only."

Sec. 2. G.S. 14-111.3 reads as rewritten:

" § 14-111.3. *Making unneeded ambulance request in certain counties.*

It shall be unlawful for any person or persons to willfully obtain or attempt to obtain ambulance service that is not needed, or to make a false request or report that an ambulance is needed. Every person convicted of violating this section shall upon conviction be punished by a fine of fifty dollars (\$50.00) or imprisonment not to exceed 30 days or both such fine and imprisonment.

This section shall apply only to the Counties of Ashe, Buncombe, Cherokee, Clay, Davie, Duplin, Haywood, Hoke, Macon, Madison, Robeson, Washington, Wilkes and Yadkin."

Sec. 3. This act shall become effective October 1, 1988, and shall apply to offenses occurring on or after that date.

In the General Assembly read three times and ratified this the 23rd day of June, 1988.

AN ACT ENABLING THE TOWNS OF NAGS HEAD AND KILL DEVIL HILLS TO PASS AN ORDINANCE TO REQUIRE THAT ALL RENTAL RESIDENTIAL DWELLING UNITS HAVE AUTOMATIC SMOKE DETECTORS, AND TO ALLOW PAWN SHOPS TO OPERATE IN THE COLINGTON TAX DISTRICT.

The General Assembly of North Carolina enacts:

Section 1. Notwithstanding any provision of the North Carolina State Building Code or any law to the contrary, and after a public hearing by the town governing board, the town may provide, by ordinance, that the owners of all existing rental residential dwelling units, including hotel and motel units, whose units are not required to have smoke detectors under the State Building Code shall install automatic smoke detectors in each of the units within 90 days after the effective date of the ordinance.

Sec. 1.1. (a) The last sentence of Section 4 of Chapter 1155 of the 1957 Session Laws, as amended by Chapters 169, 382, and 968 of the 1983 Session Laws and Chapter 48 of the 1985 Session Laws, reads as rewritten:

"Sections 1 and 2 of this act also apply to Alleghany, Dare, Harnett, Iredell, Jackson, Lenoir, and Pitt Counties, and in the Colington Tax District in Dare County."

(b) Section 3 of Chapter 169 of the 1983 Session Laws, as amended by Chapters 382 and 968 of the 1983 Session Laws and Chapter 48 of the 1985 Session Laws, reads as rewritten:

"Sec. 3. This act applies to Alleghany, Dare, Harnett, Iredell, Jackson, Lenoir, and Pitt Counties only, and in the Colington Tax District in Dare County."

Sec. 2. Section 1 of this act shall apply only to the Towns of Nags Head and Kill Devil Hills.

Sec. 3. This act is effective upon ratification.

In the General Assembly read three times and ratified this the 23rd day of June, 1988.

H.B. 2273

CHAPTER 912

AN ACT TO MAKE TECHNICAL CHANGES TO THE LEGISLATION AUTHORIZING CREATION OF THE WILSON TOURISM DEVELOPMENT AUTHORITY.

The General Assembly of North Carolina enacts:

Section 1. Section 2(b) of Chapter 484 of the 1987 Session Laws reads as rewritten:

"(b) Terms of office. Members of the Authority shall serve three-year terms except that the initial appointees shall serve the following terms:

- (1) Members appointed pursuant to subdivisions (a)(1) and (a)(2) of this section shall serve one-year terms.

- (2) Of the members appointed pursuant to subdivision ~~(a)(3)~~ (a)(4) of this section, the appointee of the Wilson City Council shall serve a three-year term and the appointee of the board of commissioners shall serve a two-year term.
- (3) Of the members appointed pursuant to subdivision ~~(a)(4)~~ (a)(3) of this section, the appointee of the Wilson City Council shall serve a one-year term, the appointee of the board of commissioners shall serve a three-year term, and the appointee of the Chamber of Commerce shall serve a two-year term."

Sec. 2. Section 2(d) of Chapter 484 of the 1987 Session Laws reads as rewritten:

"(d) Reports. The Authority shall report ~~quarterly and~~ at the close of the fiscal year to the board of county commissioners on its receipts and expenditures for the preceding ~~quarter and for the~~ year in such detail as the board may require."

Sec. 3. This act is effective upon ratification.

In the General Assembly read three times and ratified this the 23rd day of June, 1988.

H.B. 2282

CHAPTER 913

AN ACT TO EXPAND THE ELIZABETHTOWN AIRPORT AND ECONOMIC DEVELOPMENT COMMISSION.

The General Assembly of North Carolina enacts:

Section 1. Section 2 of Chapter 849, Session Laws of 1985, reads as rewritten:

"Sec. 2. The Commission shall have ~~seven~~ nine members, all seven of whom shall be residents of the Town of Elizabethtown, Elizabethtown, and two of whom shall be residents of Bladen County. The seven members required to be residents of the Town of Elizabethtown shall be appointed by the Elizabethtown Board of Commissioners (the "Town Board") for staggered terms of four years each, provided that initial appointments shall be for the following terms: two members, one year each; two members, two years each; two members, three years each; and one member, four years. One member shall be designated chairman by the Town Board and shall serve in that capacity at the pleasure of the Town Board. The two members required to be residents of Bladen County shall be appointed by the Board of Commissioners of Bladen County for terms of four years. The Town Board may change the number of members and their terms, the manner of appointment of the chairman and other

provisions concerning the Commission as authorized by Article 6 of Chapter 63 of the General Statutes or Article 2 of Chapter 158 of the General Statutes."

Sec. 2. This act is effective upon ratification.

In the General Assembly read three times and ratified this the 23rd day of June, 1988.

H.B. 2283

CHAPTER 914

AN ACT TO AMEND THE LOCAL LAWS RELATING TO THE BUREAU OF IDENTIFICATION FOR WAKE COUNTY.

The General Assembly of North Carolina enacts:

Section 1. Chapter 535 of the Public-Local Laws of 1937, as amended by Chapter 860 of the 1961 Session Laws, by Chapter 505 of the 1975 Session Laws, and by Chapter 350 of the 1977 Session Laws, is amended by deleting the words "the Chairman of the Board of County Commissioners of Wake County" each time they appear and by substituting "the County Manager of the County of Wake".

Sec. 2. Section 4 of Chapter 535 of the Public-Local Laws of 1937, as amended by Chapter 860 of the 1961 Session Laws, by Chapter 505 of the 1975 Session Laws, and by Chapter 350 of the 1977 Session Laws, is rewritten to read:

"Sec. 4. That Wake County and the City of Raleigh shall provide suitable office space and necessary equipment for the identification expert and his assistants. The costs of the office space and equipment shall be paid by Wake County and the City of Raleigh in the proportions and in the installments as the governing bodies of each shall annually agree."

Sec. 3. The last sentence of Section 2 of Chapter 535 of the Public-Local Laws of 1937, as rewritten by Section 1 of Chapter 860 of the 1961 Session Laws, is rewritten to read:

"And the salaries shall be paid by Wake County and the City of Raleigh in the proportions and in the installments as the governing bodies of each shall annually agree."

Sec. 4. This act is effective upon ratification.

In the General Assembly read three times and ratified this the 23rd day of June, 1988.

H.B. 2288

CHAPTER 915

AN ACT TO MAKE PERMANENT A TEMPORARY ACT PROVIDING THAT THE CITY OF CLINTON NEED NOT MAIL ZONING NOTICES TO AREAS NEWLY ANNEXED OR

NEWLY ADDED TO ITS EXTRATERRITORIAL
JURISDICTION.

The General Assembly of North Carolina enacts:

Section 1. Section 3 of Chapter 339, Session Laws of 1987 reads as rewritten:

"Sec. 3. This act is effective upon ratification, ~~but expires June 30, 1988.~~"

Sec. 2. This act is effective upon ratification.

In the General Assembly read three times and ratified this the 23rd day of June, 1988.

H.B. 2297

CHAPTER 916

AN ACT TO AMEND THE CHARTER OF THE CITY OF HIGH
POINT RELATING TO PURCHASING, CONTRACTING AND
BIDDING.

The General Assembly of North Carolina enacts:

Section 1. Section 9.5(a) of the Charter of the City of High Point, being Chapter 501, Session Laws of 1979, reads as rewritten:

"(a) Contracts on informal bids. All contracts for construction or repair work ~~or for the purchase of apparatus, supplies, materials or equipment involving expenditure of public funds~~ in the amount of five thousand dollars (\$5,000) or more, but not in excess of ~~\$10,000~~ fifty thousand dollars (\$50,000), or contracts for the purchase of apparatus, supplies, materials or equipment involving expenditure of public funds in the amount of \$5,000 or more, but not in excess of ten thousand dollars (\$10,000), made by any officer, department, board or commission of the city, when practical, shall be awarded to the lowest responsible bidder taking into consideration quality, performance and the time specified in the proposal for the performance of the contract, after informal bids have been secured; provided, contracts may be awarded upon receipt of one bid in all cases where there is only one (1) source of supply and in all cases where only one (1) bid has been received after efforts have been made in writing to secure more than one (1) bid, and it shall be the duty of such officer, department, board or commission to keep record of all bids submitted, and such records shall be subject to public inspection at any time."

Sec. 2. Section 9.5(b) of the Charter of the City of High Point, being Chapter 501, Session Laws of 1979, reads as rewritten:

"(b) Procedure for letting Public Contracts. No construction or repair work or ~~purchases of apparatus, supplies, materials or equipment~~ requiring estimated expenditure of public money in an amount more than ~~\$10,000~~, fifty thousand dollars (\$50,000) or purchases of apparatus, supplies, materials or equipment requiring estimated expenditure of public money in an amount of more than ten thousand dollars (\$10,000), except in cases of special emergencies as determined by the council involving health and safety of the people or their property, shall be performed and no contract shall be awarded therefor unless the provisions of this section are complied with."

Sec. 3. This act is effective upon ratification.

In the General Assembly read three times and ratified this the 23rd day of June, 1988.

H.B. 2298

CHAPTER 917

AN ACT TO AUTHORIZE THE COUNTY OF JONES TO ADOPT AN OFFICIAL FLAG.

Whereas, the Jones County Council of Extension Homemakers has put its creativity and money together and designed a flag to be used as the official flag of the County of Jones; and

Whereas, the flag is in the shape of Jones County and depicts the county seal of the Millpond scene encircled by the symbolic tobacco leaf and pine cone; and

Whereas, the Board of County Commissioners at its regular meeting on March 7, 1987, unanimously adopted a resolution asking the General Assembly to grant the Board of County Commissioners the power to adopt this flag as the official county flag; Now, therefore,

The General Assembly of North Carolina enacts:

Section 1. The Board of County Commissioners of the County of Jones may adopt the flag created by the Jones County Council of Extension Homemakers which is in the shape of the county and depicts the county seal of the Millpond scene encircled by the symbolic tobacco leaf and pine cone as the official flag of the County of Jones.

Sec. 2. This act is effective upon ratification.

In the General Assembly read three times and ratified this the 23rd day of June, 1988.

H.B. 2303

CHAPTER 918

AN ACT TO EXEMPT THE CITY OF KINSTON FROM ARTICLE 12, CHAPTER 160A OF THE GENERAL STATUTES IN THE SALE OR LEASE OF CERTAIN REAL PROPERTY TO THE AMERICAN LEGION POST, KINSTON, NORTH CAROLINA.

The General Assembly of North Carolina enacts:

Section 1. The City of Kinston is authorized to sell or lease the real property known as "the American Legion Building," North McLewean Street, to the Trustees of the Joseph Dixon Rountree Post No. 45 of the American Legion, Kinston, North Carolina, and the abandoned warehouse at the corner of Shine and Tiffany Streets and in the sale or lease of such real property is exempt from restrictions and limitations required to effectuate leases or sales of real property provided for in Article 12 of Chapter 160A of the General Statutes or in the Charter of the City of Kinston, as found in Chapter 169, Session Laws of 1987, as amended.

Sec. 2. This act is effective upon ratification.

In the General Assembly read three times and ratified this the 23rd day of June, 1988.

H.B. 2304

CHAPTER 919

AN ACT TO ALLOW THE TOWN OF TABOR CITY TO CONVEY CERTAIN PROPERTY AT PRIVATE SALE.

The General Assembly of North Carolina enacts:

Section 1. Notwithstanding Article 12 of Chapter 160A of the General Statutes, the Town of Tabor City may convey to the Greater Tabor City Chamber of Commerce at private sale, with or without monetary consideration, any or all of its right, title and interest in the following described property:

TRACT # 1:

Beginning at a stake on the East side of Brown's alley in the Town of Tabor, and runs East with Garrell's alley 150 feet to Fowler's alley; thence South with Fowler's alley 100 feet to the corner of Lot Number 82; thence West with line of Lot Number 82, 150 feet to Brown's alley; thence North with Brown's alley 100 feet to the beginning corner. The above described lands is known as Lots number 83 and 84 as per plat made for W. M. Fowler by J. D. Long, as recorded in Book F-2, page 384.

TRACT # 2:

Beginning at a stake in W. J. Hickman's corner and runs North 75 feet to a stake in Garrell's alley; thence West 30 feet to a stake; thence South 75 feet to W. J. Hickman's corner; thence East 30 feet to the beginning corner.

Reference is hereby made for a further and more accurate description of Tracts # 1 and 2 described above by Map entitled "Estate of C. M. Ward and Fannie E. Ward Baggett" lands, surveyed by Robert D. Inman, on August 22, 1968, and recorded in Plat Book 10, page 23, Columbus County Registry.

TRACT # 3:

Beginning at an iron stake, said stake sets South 86 degrees 45 minutes East 30 feet from the Southwest corner of Tract # 2 described above; thence South 3 degrees 15 minutes West 21.35 feet to a stake; thence North 65 degrees 09 Minutes West 6.28 feet to a stake; thence North 29 degrees 07 minutes West 22.55 feet to an iron stake; thence South 86 degrees 45 minutes East 17.91 feet to the beginning.

Sec. 2. This act is effective upon ratification.

In the General Assembly read three times and ratified this the 23rd day of June, 1988.

H.B. 2305

CHAPTER 920

AN ACT TO ALLOW THE TOWN OF KERNERSVILLE TO
DISPOSE OF CERTAIN REAL PROPERTY BY PRIVATE
NEGOTIATION AND SALE.

The General Assembly of North Carolina enacts:

Section 1. Notwithstanding Article 12 of Chapter 160A of the General Statutes, the Town of Kernersville may convey by negotiation and private sale, with or without monetary consideration, any or all of its rights, title, and interest in the following described property to Crisis Control Ministry, Inc., under such terms and conditions as the Town Board of Aldermen deems appropriate:

Being all of that 1.20 acre tract of land lying in Kernersville Township, Forsyth County, North Carolina; and bounded by natural boundaries and/or lands owned by and/or in possession of persons as follows: on the North by Parkside Drive, on the East by Amp Incorporated, on the Southwest on Southern Railroad and on the West by the Town of Kernersville, a municipal corporation; said tract being particularly described by courses (according to the North Carolina Grid System) and distances according to a survey and plat prepared by the Town of Kernersville Public Works Department, dated May 25, 1988, to which reference is hereby made as follows:

Commencing at Town of Kernersville horizontal control monument "PERPETUAL" having North Carolina Grid System coordinates as per the North American Datum of 1927 of North 867,807.614 and East 1,681,717.536; thence South 79° 50' 20" West a distance of 419.37' to a 1" outside diameter set new iron pipe, flush, in the Southerly right of way line (thirty feet from centerline) of Parkside Drive, being the Northwestern corner of Amp Incorporated (see Deed Book 1476, Page 1142 of the Forsyth County Registry, see also tax lot 115 of tax block 5352 of Forsyth County Tax Maps) and being the true point of

BEGINNING:

thence with the Westerly line of said Amp Incorporated South 01° 10' 00" West a distance of 172.90' to a 1 3/4" outside diameter found existing iron pipe, flush, corner to other lands of said Amp Incorporated (see now also Deed Book 1043 Page 974 of said Registry, see also tax lot 114 of said tax block 5352); thence with the Westerly line of said Amp Incorporated South 15° 05' 20" West a distance of 144.83' to a 1" outside diameter found existing iron pipe, 2" high, in the Northeasterly right of way line (fifty feet from centerline) of Southern Railroad; thence with said Northeasterly right of way line North 59° 49' 40" West a distance of 188.89' to a 1" outside diameter set new iron pipe, 1" high; thence a new line crossing the lands of the Town of Kernersville, a municipal corporation (see Deed Book 1476, Page 1142 and Deed Book 1623 Page 747 of said Registry; see also tax lots 114B and 115D of tax block 5352), North 01° 10' 45" East a distance of 219.85' to a 1" outside diameter set new iron pipe, flush, in said Southerly right of way line of Parkside Drive; thence with said Southerly right of way line South 89° 25' 00" East a distance of 200.00' to the true point of BEGINNING said 1" outside diameter set new iron pipe, flush.

FOR REFERENCE SEE: Deed Book 1476, Page 1142 (Final Judgment 83 CVS 2824) of said Forsyth County Registry; see also Deed Book 1623, Page 747 of said Registry;

The above described tract is generally known and designated as being a portion of tax lots 114B and 115D of tax block 5352 of Forsyth County Tax Maps, with property address of 402 Parkside Drive, Kernersville, N.C. 27284.

Sec. 2. This act is effective upon ratification.

In the General Assembly read three times and ratified this the 23rd day of June, 1988.

H.B. 2317

CHAPTER 921

AN ACT TO ALLOW THE TOWN OF PINE KNOLL SHORES TO REGULATE TREES.

The General Assembly of North Carolina enacts:

Section 1. Section 3 of Chapter 556, Session Laws of 1985 reads as rewritten:

"Sec. 3. This act applies only to the Cities of Asheville and Raleigh, except that Section 1 also applies to the Town of Pine Knoll Shores."

Sec. 2. This act is effective upon ratification.

In the General Assembly read three times and ratified this the 23rd day of June, 1988.

H.B. 2319

CHAPTER 922

AN ACT TO AMEND THE LAW REGARDING THE BOARD OF COMMISSIONERS OF A HOSPITAL AUTHORITY IN CRAVEN HOSPITAL.

The General Assembly of North Carolina enacts:

Section 1. G.S. 131E-18(d) reads as rewritten:

"(d) When a commissioner resigns, is removed from office, completes a term of office, or when there is an increase in the number of commissioners, the remaining commissioners shall submit to the mayor or the ~~chairman of the~~ county board of commissioners a list of nominees for appointment to the commission. The mayor or the ~~chairman of the~~ county board of commissioners shall appoint, only from the nominees, the number of commissioners necessary to fill all vacancies. However, the mayor or the ~~chairman of the~~ county board of commissioners may require the commissioners to submit as many additional lists of nominees as ~~he or she~~ they may desire."

Sec. 2. G.S. 131E-18(f) reads as rewritten:

"(f) Commissioners ~~shall receive no compensation~~ may receive reasonable compensation as set by the hospital authority for their services, ~~but~~ and they shall be entitled to reimbursement for necessary expenses, including travel expenses, incurred in the discharge of their duties."

Sec. 3. G.S. 131E-23(19) reads as rewritten:

"(19) To enter into any contracts or other arrangements with any municipality, other public agency of this or any other State or of the United States, or with any individual, private organization, or nonprofit association for the provision of hospital, clinical, or similar

services, and may also enter into and expend funds on any joint venture with the organizations listed in this subdivision, and, in addition, with any physician or group of physicians, or professional association:".

Sec. 4. This act shall apply to Craven County only.

Sec. 5. This act is effective upon ratification.

In the General Assembly read three times and ratified this the 23rd day of June, 1988.

H.B. 2321

CHAPTER 923

AN ACT TO ALLOW RUTHERFORD COUNTY AND MUNICIPALITIES WITHIN THAT COUNTY TO ENTER INTO LONG-TERM CONTRACTS FOR THE DISPOSAL OF SOLID WASTE.

The General Assembly of North Carolina enacts:

Section 1. G.S. 153A-299.6 reads as rewritten:

" § 153A-299.6. *Applicability.*--This Part shall apply only to Beaufort County, Craven County, Davie County, Edgecombe County, Gaston County, Hyde County, Lenoir County, Martin County, New Hanover County, Pamlico County, Pitt County, Rowan County, Rutherford County, Washington County, Wilson County, and to any and all incorporated cities and towns situated within the foregoing counties."

Sec. 2. This act is effective upon ratification.

In the General Assembly read three times and ratified this the 23rd day of June, 1988.

H.B. 2330

CHAPTER 924

AN ACT ALLOWING CONSTRUCTION OF THE BERTIE COUNTY OFFICE BUILDING USING THE DESIGN-BUILD CONTRACT SYSTEM.

The General Assembly of North Carolina enacts:

Section 1. Notwithstanding any provision of law or administrative rules to the contrary, the Bertie County Board of Commissioners may plan, develop and construct a proposed county office building using the design-build contract system.

Sec. 2. This act is effective upon ratification, but expires June 30, 1989.

In the General Assembly read three times and ratified this the 23rd day of June, 1988.

H.B. 2331

CHAPTER 925

AN ACT TO VALIDATE CERTAIN REGISTRATION
CERTIFICATIONS IN MARTIN COUNTY.

The General Assembly of North Carolina enacts:

Section 1. Any instrument registered by the register of deeds before the date of ratification of this act concerning which the register of deeds certified the acknowledgement of execution pursuant to G.S. 47-37 but omitted the name and title of the officer signing the certificate of acknowledgement passed upon, as required by G.S. 47-37(a), is hereby validated and declared sufficient for all purposes.

Sec. 2. This act applies to Martin County only.

Sec. 3. This act is effective upon ratification.

In the General Assembly read three times and ratified this the 23rd day of June, 1988.

H.B. 2333

CHAPTER 926

AN ACT TO EXPAND THE BLADEN COUNTY BOARD OF
COUNTY COMMISSIONERS FROM FIVE TO NINE
MEMBERS, AND TO PROVIDE FOR THEIR NOMINATION
AND ELECTION UNDER A MIXED ELECTORAL SYSTEM.

The General Assembly of North Carolina enacts:

Section 1. Effective on the first Monday in December of 1988, the Bladen County Board of County Commissioners shall consist of nine members.

Sec. 2. (a) For the purpose of nominating and electing members of the County Board of Commissioners, Bladen County is divided into three districts. Members of the Board of County Commissioners shall be elected as follows:

Six members will be nominated in partisan primaries and elected from the three districts described in subsection (b) of this section with two members elected from each district for four-year staggered terms. These members will be elected from separate numbered seats to which a majority vote requirement will apply for the primary election in accordance with G.S. 163-111.

Three members will be elected for four-year concurrent terms in countywide elections using limited voting in both the party primaries and the general election. In these elections each voter will be entitled to vote for one candidate, and the top three vote getters will be

nominated and elected by a plurality of votes. These three members will be elected in 1988 and every four years thereafter.

(b) *District One* shall be composed of Carvers Creek Township, Whites Creek Township (minus census split ED 66-D), Frenches Creek Township, Brown Marsh Township, Lake Creek Township and Census Enumeration Districts 69A, 69B and 68A (minus census splits ED 68A-A, -B and -G), and census splits ED 67-Y through -AE of enumeration district 67 of Elizabethtown Township.

Both seats in District 1 will be elected in 1988, one to serve a two-year term and one to serve a four-year term. The candidate receiving the most votes in the general election shall serve a four-year term and the candidate receiving the second most votes in the general election shall serve a two-year term. One commissioner will be elected in 1990 and every two years thereafter.

District Two shall be composed of Bethel Township, Bladenboro Township, Abbotts Township and Census Enumeration District 70T of Elizabethtown Township.

One seat will be elected in District 2 in 1988 for a four-year term. Incumbent Commissioner Roberts will serve out the remainder of his term (until 1990) in the other seat in District 2. One commissioner will be elected from District 2 in 1990 and every two years thereafter.

District Three shall be composed of Colly Township, Hollow Township, White Oak Township, Cypress Creek Township, Turnbull Township, Central Township, Census Enumeration District split ED 66-D of Whites Creek Township, and Census Enumeration Districts 68V, 70D, 70E, 70F and Census splits ED 68A-A, -B and -G of enumeration District 68A, and 67 (minus census splits ED 67-Y through -AE) of Elizabethtown Township.

Incumbent Commissioners Huggins and Tatum will serve out the remainder of their terms (until 1990) in seats in District 3. Two commissioners will be elected from District 3 in 1990, one for a two-year term and one for a four-year term. The candidate receiving the most votes in the general election shall serve a four-year term and the candidate receiving the second most votes in the general election shall serve a two-year term. One commissioner will be elected from District 3 in 1992 and every two years thereafter.

Sec. 3. Section 2 of Chapter 52, Public-Local Laws of 1933, and Chapter 158 Session Laws of 1967 are repealed.

Sec. 4. This act shall become effective on the first Monday in December 1988.

In the General Assembly read three times and ratified this the 23rd day of June, 1988.

H.B. 2342

CHAPTER 927

AN ACT TO RAISE THE STATUTORY THRESHOLD REQUIRING FORMAL BIDS FOR APPARATUS, MATERIAL, OR EQUIPMENT FOR FORSYTH COUNTY, THE CITY OF WINSTON-SALEM, AND THE FORSYTH/STOKES AREA MENTAL HEALTH, MENTAL RETARDATION AND SUBSTANCE ABUSE AUTHORITY.

The General Assembly of North Carolina enacts:

Section 1. The first paragraph of G.S. 143-129 reads as rewritten:

"No construction or repair work requiring the estimated expenditure of public money in an amount equal to or more than fifty thousand dollars (\$50,000) or purchase of apparatus, supplies, materials, or equipment requiring an estimated expenditure of public money in an amount equal to or more than ~~ten thousand dollars (\$10,000)~~ twenty thousand dollars (\$20,000), except in cases of group purchases made by hospitals through a competitive bidding purchasing program or in cases of special emergency involving the health and safety of the people or their property, shall be performed, nor shall any contract be awarded therefor, by any board or governing body of the State, or of any institution of the State government, or of any county, city, town, or other subdivision of the State, unless the provisions of this section are complied with. For purposes of this Article, a competitive bidding group purchasing program is a formally organized program that offers purchasing services at discount prices to two or more hospital facilities. The limitation contained in this paragraph shall not apply to construction or repair work undertaken during the progress of a construction or repair project initially begun pursuant to this section. Further, the provisions of this section shall not apply to the purchase of gasoline, diesel fuel, alcohol fuel, motor oil or fuel oil. Such purchases shall be subject to G.S. 143-131."

Sec. 2. This act is effective upon ratification and shall apply only to Forsyth County, the City of Winston-Salem, and the Forsyth/Stokes Area Mental Health, Mental Retardation and Substance Abuse Authority.

In the General Assembly read three times and ratified this the 23rd day of June, 1988.

AN ACT REGARDING THE STANLY COUNTY ECONOMIC DEVELOPMENT COMMISSION.

The General Assembly of North Carolina enacts:

Section 1. Section 2.1 of Chapter 141, Session Laws of 1961, as added by Section 3 of Chapter 355, Session Laws of 1975 and Chapter 185, Session Laws of 1987, is amended by:

- (1) Deleting "The President" and substituting "A designee";
- (2) Deleting "Albemarle-";
- (3) Deleting "ex officio", and substituting "voting ex officio";
- (4) Deleting "10 members", and substituting "12 members"; and
- (5) Adding a new sentence at the end to read: "The Stanly County Manager and the Stanly County Attorney shall also, by virtue of their respective office, serve in a nonvoting ex officio capacity on the Economic Development Commission."

Sec. 2. Section 3 of Chapter 141, Session Laws of 1961, is amended by:

(1) Deleting "first two years'" in the first sentence, and substituting "initial years";

(2) Deleting "five members" in the first sentence, and substituting "one-half";

(3) Adding the following sentence at the end: "For clarification, a Democrat and a Republican from the following areas (voting precincts) of Stanly County are to be appointed by the Board of Commissioners: North (Almond, Ridenhour, Richfield, New London, and North Albemarle); South (East Center, West Center, Tyson, and Big Lick #1); East (South Albemarle, East Albemarle, Badin, and Palmerville); West (Furr #1, Furr #2, Big Lick #2, and Endy); Central (Albemarle #1, Albemarle #2, Albermarle #6, Albemarle #7, Albemarle #8, Albemarle #10, and Albemarle #11); and two seats at large."

Sec. 3. Section 4 of Chapter 141, Session Laws of 1961, as amended by Chapter 185, Session Laws of 1987, is rewritten to read:

"Sec. 4. The chairman of the Economic Development Commission shall serve a term corresponding with said person's term of office as a county commissioner."

Sec. 4. Section 5 of Chapter 141, Session Laws of 1961, as amended by Chapter 355, Session Laws of 1975 and Chapter 185, Session Laws of 1987, is amended by deleting the second sentence and substituting the following: "Whenever necessary, members of the Economic Development Commission shall by a majority vote make necessary changes to their bylaws, procedural rules and policies

subject to the approval of the county board of commissioners. All disbursements shall be made to the commission by the county in the same way and manner provided by law for disbursing public funds of Stanly County, and no disbursements shall be made except upon approval of the county board of commissioners."

Sec. 5. Section 5.2 of Chapter 141, Session Laws of 1961, as added by Chapter 355, Session Laws of 1975 and amended by Chapter 185, Session Laws of 1987, is amended by:

- (1) Deleting "Albemarle-" in the first sentence;
- (2) Deleting "of industrial development", and substituting "of economic development"; and
- (3) Inserting "or the County of Stanly" immediately before the period at the end of the second sentence.

Sec. 6. Section 6.1 of Chapter 141, Session Laws of 1961, as added by Chapter 706, Session Laws of 1965, is amended by:

- (1) Deleting "Industrial Commission", and substituting "Economic Commission"; and
- (2) Deleting ", as provided in G.S. 158-18, and 158-19 1964 Replacement Volume 3D".

Sec. 7. This act is effective upon ratification.

In the General Assembly read three times and ratified this the 23rd day of June, 1988.

H.B. 2345

CHAPTER 929

AN ACT TO EXPAND THE STANLY COUNTY AIRPORT AUTHORITY.

The General Assembly of North Carolina enacts:

Section 1. Section 2 of Chapter 419, Session Laws of 1971, as amended by Chapter 238, Session Laws of 1983, reads as rewritten:

"Sec. 2. The Airport Authority shall consist of ~~five~~ six members who shall be appointed to staggered terms of four years by the Stanly County Board of Commissioners. All of the members shall be residents of the County. The terms of the ~~initial five~~ five appointed members of the Airport Authority shall be as follows: ~~two members to be appointed to a term of four years; three members appointed for a term of two years, serving terms expiring March 31, 1989, and three members serving terms expiring March 31, 1991.~~ two members to be appointed to a term of four years; three members appointed for a term of two years, serving terms expiring March 31, 1989, and three members serving terms expiring March 31, 1991. Thereafter, all terms shall be for four years. Each of the members and their successors so appointed shall take and subscribe before the Clerk of the Superior Court of Stanly County, an oath of office and file same with the Stanly County Board of Commissioners. Upon the occurrence of any vacancy on said Airport Authority, said vacancy

shall be filled within 60 days after notice thereof at a regular meeting of the Board of County Commissioners. ~~The Board of Commissioners may determine that one of the five~~ One of the six members shall be a county commissioner, whose term on the Airport Authority shall run concurrently with that member's term as county commissioner. In ~~the event the case of the member of the Stanly County Board of Commissioners should appoint one of the members of that said Board~~ the case of the member of the Stanly County Board of Commissioners should appoint one of the members of that said Board serving as a voting member of the said Airport Authority, such membership shall not constitute double office holding within the meaning of Article VI, Sec. 9 of the Constitution of North Carolina, but instead is service ex officio."

Sec. 2. The additional member of the Stanly County Airport Authority authorized by Section 1 of this act shall be appointed for an initial term expiring March 31, 1991, and is one of the three with terms expiring then as indicated in Section 1 of this act. This act does not affect the term of office of any other member of that authority.

Sec. 3. This act is effective upon ratification.

In the General Assembly read three times and ratified this the 23rd day of June, 1988.

H.B. 2346

CHAPTER 930

AN ACT TO CHANGE THE STATUTORY DEFINITION OF
SUBDIVISION FOR STANLY COUNTY.

The General Assembly of North Carolina enacts:

Section 1. G.S. 153A-335 reads as rewritten:

"§ 153A-335. 'Subdivision' defined.-- For purposes of this Part, 'subdivision' means all divisions of a ~~tract or parcel of land into two or more lots, building sites, or other divisions for the purpose of sale or building development (whether immediate or future) and includes all division of land involving the dedication of a new street or a change in existing streets; however, the~~ residentially zoned parcel or lot of record existing at the time of passage of the county subdivision ordinance where 10 or more lots or parcels (including residual land of the original parcel) have been or will be created. ~~The following is not shall not be included within this definition and is not nor~~ is not subject to any regulations enacted pursuant to this Part:

(1) The combination or recombination of portions of previously subdivided and recorded lots ~~if where~~ the total number of lots is not increased and the resultant lots are equal to or exceed the standards of the county as shown in its subdivision regulations;

(2) The division of land into parcels greater than 10 acres ~~if where~~ no street right-of-way dedication is involved;

(3) The public acquisition by purchase of strips of land for widening or opening streets; and

(4) ~~The division of a tract in single ownership the entire area of which is no greater than two acres into not more than three lots, if no street right-of-way dedication is involved and if the resultant lots are equal to or exceed the standards of the county as shown by its subdivision regulations~~ Divisions of any land to be sold, leased, or used for commercial or industrial purposes, which is commercially or industrially zoned by the county zoning ordinance at the time of division."

Sec. 2. This act applies to Stanly County only.

Sec. 3. This act is effective upon ratification.

In the General Assembly read three times and ratified this the 23rd day of June, 1988.

H.B. 2348

CHAPTER 931

AN ACT TO AMEND THE GASTONIA FAIR HOUSING ACT.

The General Assembly of North Carolina enacts:

Section 1. Section 1 of Chapter 902, Session Laws of 1985, reads as rewritten:

"Section 1. The City Council of Gastonia may adopt ordinances to prohibit discrimination in housing real estate transactions based on race, color, national origin, religion, age, sex, handicap, or attained age between 40 and 70 years, inclusive, sex or handicap. To assist in the enforcement of the ordinances, the Council may authorize or create an agency or commission of the City of Gastonia, hereinafter referred to as 'the agency,' to take such actions and to have such powers as might be appropriate and necessary to implement the ordinances, including the power to:

- (1) receive, initiate, investigate, seek to conciliate, hold hearings on, and pass upon complaints;
- (2) mediate alleged violations of the ordinances;
- (3) issue orders against persons it finds, after notice and hearing, to have violated the ordinances; and
- (4) seek court enforcement of its orders."

Sec. 2. Section 5 of Chapter 902, Session Laws of 1985, reads as rewritten:

"Sec. 5. An ordinance adopted pursuant to this act may permit a complainant dissatisfied with the agency's final disposition of a matter to bring a civil action in the Superior Court Division of the General Court of Justice of Gaston County against the person allegedly engaging in the unlawful practice. A civil action for an unlawful

~~housing practice~~ practice involving a real estate transaction may not be brought more than one year after the charge was filed with the agency or more than 60 days after the complainant's receipt of notification of the agency's final disposition of the matter, whichever is later.

If the court finds that the respondent has engaged in or is engaging in an unlawful ~~housing practice~~ practice involving a real estate transaction charged in the complaint, the court may enjoin the respondent from engaging in the unlawful ~~housing practice~~ practice involving a real estate transaction, and order any other action that may be ~~appropriate~~ appropriate including monetary damages.

In an action or proceeding under an ordinance adopted pursuant to this act, the court may in its discretion allow the prevailing party, ~~other than the agency~~, a reasonable attorney's fee as part of the costs, and the agency shall be liable for costs the same as a private person."

Sec. 3. Section 7 of Chapter 902, Session Laws of 1985, reads as rewritten:

"Sec. 7. The agency may at all reasonable times, have access to and copy any evidence of a person being investigated that relates to an unlawful ~~housing practice~~ practice involving a real estate transaction under an ordinance adopted pursuant to this act and relevant to the charge under investigation. Information discovered during such an investigation may not be made public by the agency until offered into evidence in an administrative hearing or judicial proceeding."

Sec. 4. This act is effective upon ratification.

In the General Assembly read three times and ratified this the 23rd day of June, 1988.

H.B. 2350

CHAPTER 932

AN ACT TO DEFINE "SUBDIVISION" FOR PURPOSES OF SUBDIVISION REGULATIONS IN PERSON COUNTY.

The General Assembly of North Carolina enacts:

Section 1. For the purposes of Part 2 of Article 18 of Chapter 153A of the General Statutes, "subdivision" means all divisions of a tract or parcel of land into two or more lots, building sites, or other divisions for the purpose of sale or building development (whether immediate or future) and includes all division of land involving the dedication of a new street or a change in existing streets; however, the following is not included within this definition and is not subject to any regulations enacted pursuant to this Part.

(a) The combination or recombinations of portions of previously subdivided and recorded lots if the total number of lots is not

increased and the resultant lots are equal to or exceed the standards of the county as shown in its subdivision regulations.

(b) The division of land into parcels greater than 10 acres if no street right-of-way dedication is involved.

(c) The public acquisition by purchase of strips of land for widening or opening streets.

(d) The division of a tract in single ownership the entire area of which is no greater than two acres into not more than three lots, if no street right-of-way dedication is involved and the resultant lots are equal to or exceed the standards of the county as shown in its subdivision regulations.

(e) The division of land for use as gravesites.

(f) A division of land which has been created by a judicial partition and/or sale.

(g) All re-surveys of an existing lot.

(h) Any plat presented for recordation on which a lot is shown and pledged as collateral for loan proceeds and where the property depicted by the plat is a portion of a larger tract of property owned by the same entity.

(i) A combination of lands which adds land to previous subdivided and recorded lots which are contiguous to the addition.

Sec. 2. G.S. 153A-335 is repealed.

Sec. 3. This act applies to Person County only.

Sec. 4. This act is effective upon ratification.

In the General Assembly read three times and ratified this the 23rd day of June, 1988.

H.B. 2358

CHAPTER 933

AN ACT TO ALLOW LEE COUNTY TO DISPOSE OF CERTAIN PROPERTY TO A DEVELOPER FOR A RESOURCE CENTER BY EITHER AN INSTALLMENT PURCHASE AGREEMENT OR A LEASE PURCHASE AGREEMENT.

The General Assembly of North Carolina enacts:

Section 1. Notwithstanding G.S. 153A-176 or Article 12 of Chapter 160A of the General Statutes, the County of Lee may convey at private sale as part of a lease-purchase agreement or an installment purchase agreement with the selected developer the following described parcel of land, in order to build the Lee County Resource Center:

BEGINNING at the point where the Southerly line of SR 1521 (also known as Kelly Drive) intersects the Easterly line of SR 1519 (also known as Nash Street); thence with the Southerly line of Kelly Drive,

North 58° 24' 43'' East, 272.01 feet to a stake; thence continuing with Southerly line of Kelly Drive, North 56° 35' 12'' East, 101.80 feet to a stake; thence continuing with the Southerly line of Kelly Drive, North 51° 23' 43'' East, 93.38 feet to an iron pipe; thence, South 25° 01' 44'' East, 702.13 feet to an iron pipe; thence South 58° 49' 43'' West, 389.27 feet to an axle in the easterly line of SR 1519; thence with the easterly line of SR 1519, North 31° 07' 54'' West, 702.39 feet to the point of BEGINNING, containing 6.92 acres, more or less.

Sec. 2. This act is effective upon ratification.

In the General Assembly read three times and ratified this the 23rd day of June, 1988.

H.B. 2359

CHAPTER 934

AN ACT TO PROVIDE FOR ENFORCEMENT OF BUILDING AND OTHER CODES BY THE COUNTY OF CRAVEN AS TO PROPERTY OWNED OR LEASED BY THE CRAVEN REGIONAL MEDICAL CENTER RATHER THAN BY CITIES IN THAT COUNTY.

The General Assembly of North Carolina enacts:

Section 1. Craven County shall have the exclusive jurisdiction as against any city as defined by G.S. 160A-1 for the administration and enforcement of all laws, statutes, code requirements and all other applicable regulations promulgated by the State or any city respecting building, construction, fire and safety codes as the same relate to or are legally applicable to any property owned or leased by the Craven Regional Medical Center.

Sec. 2. This act is effective upon ratification.

In the General Assembly read three times and ratified this the 23rd day of June, 1988.

H.B. 2361

CHAPTER 935

AN ACT TO MODIFY LEGAL RESTRICTIONS ON THE CITY OF LUMBERTON'S USE OF ITS OCCUPANCY TAX PROCEEDS.

The General Assembly of North Carolina enacts:

Section 1. Chapter 1028 of the 1983 Session Laws, Regular Session 1984, reads as rewritten:

"Sec. 3.2. Section 40 of Chapter 908, Session Laws of 1983, is amended by adding the following at the end:

'In the City of Lumberton, these funds may be used only as follows:

~~(1) fifty percent (50%) of the funds may be used only for "tourism related expenditures". As used in this act, paragraph, the term "tourism related expenditures" includes sponsoring tourist-oriented events, encouraging tourism through advertising and promotion, establishing a visitors' center, and other expenditures that directly enhance tourism, and also includes the following type of expenditures:~~

~~Criminal justice system, fire protection, public facilities and utilities, health facilities, and solid waste and sewage treatment.~~

~~These funds may not be used for services normally provided by the city on behalf of its citizens unless these services promote tourism and enlarge its economic benefits by enhancing the ability of the city to attract and provide for tourists, tourists.'~~

~~(2) fifty percent (50%) of the funds must be used to promote travel and tourism and must be used to plan, construct, operate, maintain, or in any way promote a civic center, convention center, public auditorium or like facility that may now be in existence or built in the future."~~

Sec. 2. This act is effective upon ratification.

In the General Assembly read three times and ratified this the 23rd day of June, 1988.

H.B. 2170

CHAPTER 936

AN ACT TO EXPAND THE INCOME TAX EXEMPTION FOR DOUBLE LEG AMPUTEES TO INCLUDE BELOW-THE-KNEE AMPUTATION.

The General Assembly of North Carolina enacts:

Section 1. G.S. 105-149(a)(8d) reads as rewritten:

"(8d) An exemption of one thousand one hundred dollars (\$1,100) for an individual who has one of the following conditions or whose dependent has one of these conditions:

- a. Paraplegia;
- b. Amputation of both legs above the ~~knee~~; ankle; or
- c. A disability that requires the person to use a wheelchair to move about and to function effectively.

This exemption is in addition to all other exemptions allowed by this subsection. To claim this exemption, a taxpayer must attach to his tax return on which he claims the exemption a statement from a physician certifying that the individual or dependent for whom the exemption is claimed has one of the conditions listed above."

Sec. 2. This act is effective for taxable years beginning on or after January 1, 1988.

In the General Assembly read three times and ratified this the 23rd day of June, 1988.

H.B. 2186

CHAPTER 937

AN ACT TO EXEMPT INSULIN FROM SALES AND USE TAXES.

The General Assembly of North Carolina enacts:

Section 1. G.S. 105-164.13(13) reads as rewritten:

"(13) Medicines sold on prescription of physicians, dentists, or ~~veterinarians~~ veterinarians; insulin whether or not sold on prescription."

Sec. 2. This act shall become effective August 1, 1988, and applies to sales made on or after that date.

In the General Assembly read three times and ratified this the 23rd day of June, 1988.

S.B. 411

CHAPTER 938

AN ACT INCREASING THE INTEREST TO BE PAID ON PARTIAL LICENSE FEES.

The General Assembly of North Carolina enacts:

Section 1. G.S. 20-94 reads as rewritten:

" 20-94. *Partial payments.*--In the purchase of licenses, where the gross amount of the license to any one owner amounts to more than four hundred dollars (\$400.00), half of such payment may, if the Commissioner is satisfied of the financial responsibility of such owner, be deferred until June 1 in any calendar year upon the execution to the Commissioner of a draft upon any bank or trust company upon forms to be provided by the Commissioner in an amount equivalent to one half of such tax, plus a carrying charge of ~~one percent (1%)~~ eight percent (8%): Provided, that any person using any tag so purchased after the first day of June in any such year without having first provided for the payment of such draft, shall be guilty of a misdemeanor. No further license plates shall be issued to any person executing such a draft after the due date of any such draft so long as such draft or any portion thereof remains unpaid. Any such draft being dishonored and not paid shall be subject to the penalties prescribed in G.S. 20-178 and shall be immediately turned over by the Commissioner to his duly authorized agents and/or the State

Highway Patrol, to the end that this provision may be enforced. When the owner of the vehicles for which a draft has been given sells or transfers ownership to all vehicles covered by the draft, such draft shall become payable immediately, and such vehicles shall not be transferred by the Division until the draft has been paid. Any one owner whose gross license amounts to more than two hundred dollars (\$200.00) but not more than four hundred dollars ~~(\$0.00)~~ (\$400.00) may also be permitted to sign a draft in accordance with the foregoing provisions of this section provided such owner makes application for the draft on or before February 1 during the license renewal period."

Sec. 2. This act is effective upon ratification.

In the General Assembly read three times and ratified this the 24th day of June, 1988.

S.B. 1558

CHAPTER 939

AN ACT TO MODIFY THE FORM OF ELECTION OF THE PAMLICO COUNTY BOARD OF COMMISSIONERS AND THE PAMLICO COUNTY BOARD OF EDUCATION SO AS TO IMPLEMENT A FEDERAL COURT JUDGMENT.

The General Assembly of North Carolina enacts:

Section 1. Effective on the first Monday in December 1990, the Pamlico County Board of Commissioners shall consist of seven members.

Sec. 2. (a) Pamlico County is divided into five districts as provided by Section 3 of this act.

(b) One member of the Pamlico County Board of Commissioners shall be elected from each district, and two from the county at-large. The qualified voters of each district shall nominate candidates and elect a member who resides in the district for the seat apportioned to that district; and the qualified voters of the entire county shall nominate candidates and elect members apportioned to the county at-large.

Sec. 3. (a) District 1 consists of Township 1, the area within the corporate limits of the Town of Alliance as of April 20, 1988, and the following described territory: That portion of Pamlico County which is bounded on the north by the south prong of Bay River, on the west by a line 500 feet westward of the centerline of the Campen Road (Secondary Road 1345), on the east by the centerline of Neals Creek Road, or Lupton Road, (Secondary Road 1343), and on the south by a line running from a point 500 feet southward of the southern end of the Campen Road (the point at which the State maintenance ends) southeastwardly to the southern end of the Neals

Creek, or Lupton, Road (the point at which the State maintenance ends).

(b) District 2 consists of Township 2.

(c) District 3 consists of Township 3 excepting that area in District 1.

(d) District 4 consists of Township 4.

(e) District 5 consists of Township 5.

Sec. 4. In 1990 and quadrennially thereafter, members shall be elected from Districts 3 and 4 for four-year terms, and two members shall be elected at-large for four-year terms. In 1992 and quadrennially thereafter, members shall be elected from Districts 1, 2, and 5 for four-year terms.

Sec. 5. (a) Notwithstanding G.S. 163-111, nominations in primary elections for a county board of commissioners shall be determined as follows:

(1) When more than one person is seeking election to a single office, the candidate who receives the highest number of votes shall be declared the nominee.

(2) When more persons are seeking nomination to two or more offices (constituting a group) than there are offices to be filled, those candidates receiving the highest number of votes, equal in number to the number of offices to be filled, shall be declared the nominee.

(3) If two or more candidates receiving the highest number of votes necessary to be nominated each receive the same number of votes, the proper party executive committee shall, from among those candidates receiving the same number of votes, select the party nominee in accordance with G.S. 163-114.

(b) This section applies to Pamlico County only.

Sec. 6. The following laws are repealed: Chapter 136, Public-Local Laws of 1939; Chapter 197, Public-Local Laws of 1941; Chapter 149, Session Laws of 1949; Chapter 358, Session Laws of 1975; and Chapter 1102, Session Laws of 1979.

Sec. 7. Sections 1 through 6 of this act do not affect the terms of office of any person serving on the Board of Commissioners of Pamlico County for terms expiring in 1988 or 1990, nor do they affect the manner or form of election in 1988. Commissioners shall be elected from Townships 1, 2 and 5 in 1988 for four-year terms, and a commissioner shall be elected from Township 4 in 1988 for a two-year term.

Sec. 8. The Board of Education of Pamlico County shall continue to consist of seven members.

Sec. 9. (a) Pamlico County is divided into five districts as provided by Section 3 of this act.

(b) One member of the Pamlico County Board of Education shall

be elected from each district, and two from the county at-large. The qualified voters of each district shall elect a member who resides in the district for the seat apportioned to that district; and the qualified voters of the entire county shall elect members apportioned to the county at-large.

Sec. 10. In 1990 and quadrennially thereafter, members shall be elected from Districts 3 and 4 for four-year terms, and two members shall be elected at-large for four-year terms. In 1992 and quadrennially thereafter, members shall be elected from Districts 1, 2, and 5 for four-year terms.

Sec. 11. Notwithstanding the provisions of G.S. 115C-37, the Pamlico County Board of Education shall be elected on a nonpartisan basis at the time of the primary election in 1990 and biennially thereafter. The names of the candidates shall be printed on the ballot without reference to any party affiliation. The nonpartisan plurality method shall be used with the results determined as provided in G.S. 163-292.

Sec. 12. Sections 1 through 6 of Chapter 551, Session Laws of 1981 are repealed.

Sec. 13. (a) Except as provided in subsection (b) of this section, Sections 8 through 12 of this act do not affect the terms of office of any person serving on the Pamlico County Board of Education for terms expiring in 1988, 1990, or 1992, nor do they affect the manner or form of election in 1988.

(b) Notwithstanding Chapter 551, Session Laws of 1981, the members elected to the Pamlico County Board of Education in 1988 from Districts 3, 4, and at-large were elected for two-year terms, and the terms are reduced accordingly. Notwithstanding Chapter 551, Session Laws of 1981, the members elected to the Pamlico County Board of Education in 1986 from Districts 1, 2, and 5 were elected to six-year terms, and the terms are extended accordingly.

Sec. 14. This act is effective upon ratification.

In the General Assembly read three times and ratified this the 24th day of June, 1988.

S.B. 1581

CHAPTER 940

AN ACT AMENDING THE CHARTER OF THE CITY OF WINSTON-SALEM RELATING TO NOTICE OF SPECIAL ELECTIONS.

The General Assembly of North Carolina enacts:

Section 1. Section 12A.5. of the Winston-Salem City Charter, being Chapter 232, Private Laws of 1927, as amended by Chapter 13

of the 1965 Session Laws is amended by adding at the end, the following:

"In lieu of the notice provided herein, any notice provided by general law for special elections may be used."

Sec. 2. This act is effective upon ratification.

In the General Assembly read three times and ratified this the 24th day of June, 1988.

S.B. 1601

CHAPTER 941

AN ACT TO LIMIT THE INCOME TAX DEPENDENCY EXEMPTION TO RELATIVES AND FOSTER CHILDREN OF THE TAXPAYER AND DEPENDENTS OF WHOM THE TAXPAYER HAS LEGAL CUSTODY.

The General Assembly of North Carolina enacts:

Section 1. G.S. 105-149(a)(5) a., b., and c. read as rewritten:

- "a. A Any of the following relatives, whether natural or adopted: a son or daughter (or a descendant of either), a stepson, or stepdaughter, a brother or sister (including a brother or sister of the half blood), a stepbrother, stepsister, father or mother (or an ancestor of either), a stepfather, a stepmother, a son or daughter of a brother or sister, a brother or sister of the father or mother, a son-in-law, a daughter-in-law, a father-in-law, a mother-in-law, a brother-in-law, or a sister-in-law of the taxpayer;
- b. An individual who was a member of the same household as the taxpayer; taxpayer and was related to the taxpayer, whether by blood, affinity, or adoption, a foster child of the taxpayer, or an individual of whom the taxpayer had legal custody during the taxable year;
- c. A former member of the same household as the taxpayer who otherwise qualifies as a dependent of the taxpayer under subdivision b of this subsection or an individual who otherwise qualifies as a dependent of the taxpayer, who for the taxable year of such taxpayer receives institutional care required by reason of a physical or mental disability."

Sec. 2. This act is effective for taxable years beginning on or after January 1, 1988.

In the General Assembly read three times and ratified this the 24th day of June, 1988.

S.B. 1602

CHAPTER 942

AN ACT TO INCORPORATE THE VILLAGE OF ST. HELENA IN
PENDER COUNTY.*The General Assembly of North Carolina enacts:***Section 1.** A Charter for The Village of St. Helena is enacted as follows:**"CHARTER OF THE VILLAGE OF ST. HELENA****"CHAPTER I****"Incorporation and Corporate Powers**

"Section 1.1. *Incorporation and Corporate Powers.* The inhabitants of the Village of St. Helena are a body corporate and politic under the name 'Village of St. Helena.' Under that name they have all the powers, duties, rights, privileges, and immunities conferred and imposed on cities by the general law of North Carolina.

"CHAPTER II**"Corporate Boundaries**

"Sec. 2.1. *Village Boundaries.* Until modified in accordance with law, the boundaries of the Village of St. Helena are located in Burgaw Township, Pender County, North Carolina, lying on both sides of the S.C.L. Railroad, Wilmington-to-Rocky Mount Branch (now abandoned), and more fully described as:

BEGINNING at a point in the centerline of the S.C.L. Railroad located along the centerline at a point that is South 13°00' East 2,640.00 feet from a point in the centerline that is South 77°00' West from Mile Post W-22; running thence from the BEGINNING North 77°00' East 6,800.00 feet; thence South 01°19'37" West 14,346.16 feet to a point in or near the northern branch of Pike Creek; thence South 77°00' West 3,250.00 feet to the centerline of the S.C.L. Railroad; thence continuing South 77°00' West 6,300.00 feet; thence parallel with the S.C.L. Railroad North 13°00' West 13,900.00 feet; thence North 77°00' East 6,300.00 feet to the BEGINNING, containing 5.65 square miles, more or less, as surveyed in March, 1981.

"CHAPTER III**"Governing Body**

"Sec. 3.1. *Structure of Governing Body; Number of Members.* The governing body of the Village of St. Helena is the Village Council, which has four members, and the Mayor.

"Sec. 3.2. *Interim Officers.* Until the regular municipal election to be held in November 1989, Robert M. Barnhill, Thomas J.

Bradshaw, Willie Knowles and William G. Paluck shall serve as Council Members and George Spisak shall serve as Mayor. In their respective capacities they shall possess and may exercise the powers granted to the Council and Mayor until their successors are elected and qualify.

"Sec. 3.3. *Manner of Electing Council.* The qualified voters of the entire Village elect the members of the Council.

"Sec. 3.4. *Term of Office of Council Members.* Those two candidates receiving the highest number of votes in the first election shall be elected for a four-year term. Those two candidates receiving the next highest number of votes shall be elected for a two-year term. Thereafter the successor members of the Council shall be elected to four-year terms.

"Sec. 3.5. *Election of Mayor; Term of Office.* The qualified voters of the entire Village elect the Mayor. He is elected to a two-year term of office.

"CHAPTER IV

"Elections

"Sec. 4.1. *Conduct of Village Elections.* Village officers shall be elected on a nonpartisan basis and the results determined by a plurality as provided by G.S. 163-292.

"CHAPTER V

"Administration

"Sec. 5.1. *Village to Operate under Mayor-Council Plan.* The Village of St. Helena operates under the mayor-council plan as provided in Chapter 160A, Article 7, Part 3, of the General Statutes."

Sec. 2. The Village Council may adopt a budget ordinance for the 1988-89 fiscal year, following their qualification for office, without having to comply with the budget preparation and adoption timetable set out in the Local Government Budget and Fiscal Control Act. The Village Council may, not later than September 15, 1988, adopt an ad valorem tax on real and personal property for the 1988-89 fiscal year, and such taxes may be paid at par or face amount within the period of time from adoption, through January 6, 1989, and thereafter in accordance with the schedule in G.S. 105-360 as if such taxes had been due on September 1, 1988. For that purpose the Village may obtain from Pender County a record of property in the area herein incorporated which was listed for taxes as of January 1, 1988, and the businesses in the Village shall be liable for privilege license tax from the effective date of the privilege license tax ordinance.

Sec. 3. This act shall become effective July 1, 1988.

In the General Assembly read three times and ratified this the 24th day of June, 1988.

S.B. 1603

CHAPTER 943

AN ACT TO CONFORM CATAWBA COUNTY SCHOOL BOARD APPOINTMENTS TO THE PROVISIONS OF G.S. 115C-37.

The General Assembly of North Carolina enacts:

Section 1. Section 6 of Chapter 874, Session Laws of 1969 (providing that vacancies on the Catawba County Board of Education are to be filled by the Catawba County Board of Commissioners until the next election) is repealed.

Sec. 2. This act is effective upon ratification.

In the General Assembly read three times and ratified this the 24th day of June, 1988.

S.B. 1605

CHAPTER 944

AN ACT EXEMPTING SAILBOARDS (WIND SURFBOARDS) FROM A LOCAL MODIFICATION FOR MECKLENBURG COUNTY OF G.S. 75A-6.

The General Assembly of North Carolina enacts:

Section 1. Chapter 200, Session Laws of 1983 is amended by adding a new section to read:

"Sec. 1.1. (a) Floating boards with masts attached by universal swivel joints, more commonly referred to as sailboards or wind surfboards, shall not be subject to the requirements of G.S. 75A-6 concerning the carrying of life preservers or personal flotation devices.

(b) Notwithstanding Section 2 of this act, this section applies to Mecklenburg County only."

Sec. 2. This act is effective upon ratification.

In the General Assembly read three times and ratified this the 24th day of June, 1988.

S.B. 1608

CHAPTER 945

AN ACT TO AMEND THE LAW REGARDING APPOINTMENTS TO THE BOARD OF COMMISSIONERS OF THE ONSLOW MEMORIAL HOSPITAL AUTHORITY.

The General Assembly of North Carolina enacts:

Section 1. G.S. 131E-18(d) reads as rewritten:

"(d) When a commissioner resigns, is removed from office, completes a term of office, or when there is an increase in the

number of commissioners, the remaining commissioners shall submit to the mayor or the ~~chairman of the~~ county board of commissioners a list of nominees for appointment to the commission. The mayor or the ~~chairman of the~~ county board of commissioners shall appoint, only from the nominees, the number of commissioners necessary to fill all vacancies. However, the mayor or the ~~chairman of the~~ county board of commissioners may require the commissioners to submit as many additional lists of nominees as ~~he or she~~ they may desire."

Sec. 2. This act shall apply to Onslow County only.

Sec. 3. This act is effective upon ratification.

In the General Assembly read three times and ratified this the 24th day of June, 1988.

H.B. 475

CHAPTER 946

AN ACT TO REQUIRE TIMELY PAYMENTS TO
SUBCONTRACTORS AND SUPPLIERS, AND TO PROVIDE
FOR INTEREST ON LATE PAYMENTS.

The General Assembly of North Carolina enacts:

Section 1. The General Statutes are amended by adding a new Chapter to read:

"Chapter 22C.

"Payments to Subcontractors.

" § 22C-1. *Definitions.*--Unless the context otherwise requires in this Chapter:

(1) 'Contractor' means a person who contracts with an owner to improve real property.

(2) 'Improve' means to build, effect, alter, repair, or demolish any improvement upon, connected with, or on or beneath the surface of any real property, or to excavate, clear, grade, fill or landscape any real property, or to construct driveways and private roadways, or to furnish materials, including trees and shrubbery, for any of such purposes, or to perform any labor upon such improvements, and shall also mean and include any design or other professional or skilled services furnished by architects, engineers, land surveyors and landscape architects registered under Chapters 83A, 89C or 89A of the General Statutes.

(3) 'Improvement' means all or any part of any building, structure, erection, alteration, demolition, excavation, clearing, grading, filling, or landscaping, including trees and shrubbery, driveways, and private roadways, on real property.

(4) An 'owner' is a person who has an interest in the real property improved and for whom an improvement is made and who

ordered the improvement to be made. 'Owner' includes successors in interest of the owner and agents of the owner acting within their authority.

(5) 'Real property' means the real estate that is improved, including lands, leaseholds, tenements and hereditaments, and improvements placed thereon.

(6) 'Subcontractor' means any person who has contracted to furnish labor or materials to, or has performed labor for, a contractor or another subcontractor in connection with a contract to improve real property.

"§ 22C-2. *Performance by subcontractor.*--Performance by a subcontractor in accordance with the provisions of its contract shall entitle it to payment from the party with whom it contracts.

"§ 22C-3. *Time of payment to subcontractors after contractor or other subcontractor has been paid.*--When a subcontractor has performed in accordance with the provisions of his contract, the contractor shall pay to his subcontractor and each subcontractor shall pay to his subcontractor, within seven days of receipt by the contractor or subcontractor of each periodic or final payment, the full amount received for such subcontractor's work and materials based on work completed or service provided under the subcontract.

"§ 22C-4. *Conditions of payment.*--Nothing in this Chapter shall prevent the contractor, at the time of application and certification to the owner, from withholding such application and certification to the owner for payment to the subcontractor for: unsatisfactory job progress; defective construction not remedied; disputed work; third party claims filed or reasonable evidence that claim will be filed; failure of subcontractor to make timely payments for labor, equipment, and materials; damage to contractor or another subcontractor; reasonable evidence that subcontract cannot be completed for the unpaid balance of the subcontract sum; or a reasonable amount for retainage not to exceed the initial percentage retained by the owner.

"§ 22C-5. *Late payments to bear interest.*--Should any periodic or final payment to a subcontractor be delayed by more than seven days after receipt of periodic or final payment by the contractor or subcontractor, the contractor or subcontractor shall pay his subcontractor interest, beginning on the eighth day, at the rate of one percent (1%) per month or a fraction thereof on such unpaid balance as may be due.

"§ 22C-6. *Applicability of this Chapter.*--The provisions of this Chapter shall not be applicable to residential contractors as defined in G.S. 87 10(1a), or to improvements to real property intended for residential purposes which are exempted from the application of

Chapter 83A of the General Statutes pursuant to G.S. 83A-13(c)(1), or to improvements to real property intended for residential purposes which consist of 12 or fewer residential units."

Sec. 2. This act shall become effective October 1, 1988.

In the General Assembly read three times and ratified this the 24th day of June, 1988.

H.B. 2196

CHAPTER 947

AN ACT TO ALLOW CABARRUS MEMORIAL HOSPITAL TO AWARD AN ASSOCIATE DEGREE TO GRADUATES OF ITS NURSING EDUCATION PROGRAM.

The General Assembly of North Carolina enacts:

Section 1. Section 11 of Chapter 307, Public-Local Laws of 1935 is amended by adding a second sentence to read: "The Executive Committee may award an Associate Degree to graduates of the nursing education program."

Sec. 2. The first sentence of Section 11 of Chapter 307, Public-Local Laws of 1935 is amended by deleting "of such county public hospital", and substituting "Cabarrus Memorial Hospital", and by deleting the word "public" the other time that word appears.

Sec. 3. This act is effective upon ratification.

In the General Assembly read three times and ratified this the 24th day of June, 1988.

H.B. 2201

CHAPTER 948

AN ACT TO GRANT THE TOWN OF RUTHERFORDTON AUTHORITY TO HOLD A REFERENDUM ON ADDING A PROPERTY TAX LEVY FOR A RECREATIONAL CAPITAL BUILDING FUND.

The General Assembly of North Carolina enacts:

Section 1. A city may levy a property tax for the purpose of establishing a Recreational Capital Building Fund, not in excess of ten cents (10¢) on the one hundred dollar (\$100.00) value of property subject to taxation, subject to a referendum as provided by G.S. 160A-209(e).

Sec. 2. This act is supplemental to any other authority that a city may have under any other act, public, or local, to levy a tax for the purpose set out in Section 1 of this act.

Sec. 3. This act applies to the Town of Rutherfordton only.

Sec. 4. This act is effective upon ratification.

In the General Assembly read three times and ratified this the 24th day of June, 1988.

H.B. 2203

CHAPTER 949

AN ACT RELATING TO PERFORMANCE AND PAYMENT BONDS TO THE CITY OF WINSTON-SALEM.

The General Assembly of North Carolina enacts:

Section 1. G.S. 44A-26 is amended by deleting the words and numbers "thirty thousand dollars (\$30,000)" and substituting the words and numbers "fifty thousand dollars (\$50,000)."

Sec. 2. This act applies only to the City of Winston-Salem.

Sec. 3. This act is effective upon ratification.

In the General Assembly read three times and ratified this the 24th day of June, 1988.

H.B. 2207

CHAPTER 950

AN ACT TO AUTHORIZE ALAMANCE COUNTY TO LEVY A ROOM OCCUPANCY AND TOURISM DEVELOPMENT TAX.

The General Assembly of North Carolina enacts:

Section 1. Occupancy tax. (a) Authorization and scope. The Alamance County Board of Commissioners may by resolution, after not less than 10 days' public notice and after a public hearing held pursuant thereto, levy a room occupancy tax of three percent (3%) of the gross receipts derived from the rental of any room, lodging, or similar accommodation furnished by a hotel, motel, inn, or similar place within the county that is subject to sales tax imposed by the State under G.S. 105-164.4(3). This tax is in addition to any State or local sales tax. This tax does not apply to gross receipts derived by the following entities from accommodations furnished by them:

- (1) Nonprofit charitable organizations;
- (2) religious organizations;
- (3) educational organizations; and
- (4) any business that offers to rent fewer than five units.

(b) Collection. Every operator of a business subject to the tax levied under this section shall, on and after the effective date of the levy of the tax, collect the tax. This tax shall be collected as part of the charge for furnishing a taxable accommodation. The tax shall be stated and charged separately from the sales records, and shall be paid by the purchaser to the operator of the business as trustee for and on account of the county. The tax shall be added to the sales price and

shall be passed on to the purchaser instead of being borne by the operator of the business. The county shall design, print, and furnish to all appropriate businesses and persons in the county the necessary forms for filing returns and instructions to ensure the full collection of the tax.

(c) Administration. The county shall administer a tax levied under this section. A tax levied under this section is due and payable to the county finance officer in monthly installments on or before the 15th day of the month following the month in which the tax accrues. Every person, firm, corporation, or association liable for the tax shall, on or before the 15th day of each month, prepare and render a return on a form prescribed by the county. The return shall state the total gross receipts derived in the preceding month from rentals upon which the tax is levied.

A return filed with the county finance officer under this section is not a public record as defined by G.S. 132-1 and may not be disclosed except as required by law.

(d) Penalties. A person, firm, corporation, or association who fails or refuses to file the return required by this section shall pay a penalty of ten dollars (\$10.00) for each day's omission. In case of failure or refusal to file the return or pay the tax for a period of 30 days after the time required for filing the return or for paying the tax, there shall be an additional tax, as a penalty, of five percent (5%) of the tax due in addition to any other penalty, with an additional tax of five percent (5%) for each additional month or fraction thereof until the tax is paid.

Any person who willfully attempts in any manner to evade a tax imposed under this section or who willfully fails to pay the tax or make and file a return shall, in addition to all other penalties provided by law, be guilty of a misdemeanor and shall be punishable by a fine not to exceed one thousand dollars (\$1,000), imprisonment not to exceed six months, or both. The board of commissioners may, for good cause shown, compromise or forgive the penalties imposed by this subsection.

(e) Distribution and use of tax revenue. Alamance County shall remit on a monthly basis two-thirds of the net proceeds of the occupancy tax to the county Tourism Development Authority in Alamance County. The remaining one-third of the net proceeds shall be retained by Alamance County. "Net proceeds" means gross proceeds less three percent (3%) of the gross proceeds to cover the cost to the county of administering and collecting the tax.

The net proceeds retained by the county may be expended by the county only for acquiring, constructing, financing (including debt service), maintaining, and operating civic centers, arts centers,

libraries, parks, museums, and recreational facilities and for visitor-related programs and activities including, but not limited to, museums and other art or cultural programs, events, and festivals.

The Authority may expend any proceeds distributed to it only to further the development of travel, tourism, and conventions in the county through State, national, and international advertising and promotion.

(f) Effective date of levy. A tax levied under this section shall become effective on the date specified in the resolution levying the tax. That date must be the first day of a calendar month, however, and may not be earlier than the first day of the second month after the date the resolution is adopted.

(g) Repeal. A tax levied under this section may be repealed by a resolution adopted by majority vote of the Alamance County Board of Commissioners. Repeal of a tax levied under this section shall become effective on the first day of a month and may not become effective until the end of the fiscal year in which the repeal resolution was adopted. Repeal of a tax levied under this section does not affect a liability for a tax that was attached before the effective date of the repeal, nor does it affect a right to a refund of a tax that accrued before the effective date of the repeal.

Sec. 2. Tourism Development Authority. (a) Appointment and membership. When the board of commissioners adopts a resolution levying a room occupancy tax under this act, it shall also adopt a resolution creating a county Tourism Development Authority, which shall be a public authority under the Local Government Budget and Fiscal Control Act. The Authority shall be composed of the following five members appointed by the board of commissioners after receiving recommendations by the Chamber of Commerce:

- (1) Three owners or operators of hotels, motels, or other taxable tourist accommodations; and
- (2) Two individuals involved in the tourist business who have demonstrated an interest in tourist development and do not own or operate hotels, motels, or other taxable tourist accommodations.

All members of the Authority shall serve without compensation. Vacancies in the Authority shall be filled by the board of commissioners. Members appointed to fill vacancies shall serve the remainder of the unexpired term for which they are appointed to fill. Members shall serve two-year terms. Two of the members shall initially be appointed for a one-year term and thereafter shall be appointed for two-year terms in order to provide for staggered appointments. Members may serve no more than two consecutive terms. The members shall elect a Chairman, who shall serve for a

term of two years. The Authority shall meet at the call of the Chairman and shall adopt the rules of procedure to govern its meetings. The Finance Officer for Alamance County shall be the ex officio Finance Officer of the Authority.

(b) Powers and Duties. The Tourism Development Authority shall further the development of travel, tourism, and conventions in the county, through State, national, and international advertising and promotion. The Tourism Development Authority may contract with any person, firm, or agency to advise and assist it in the promotion of travel, tourism, and conventions. Any staff employed under this part shall be hired and supervised by the Tourism Development Authority, which shall pay the salaries and expenses of this staff. All staff shall serve at the pleasure of the Authority.

(c) Reports. The Authority shall report quarterly and at the close of the fiscal year to the board of commissioners on its receipts and expenditures for the preceding quarter and for the year in such detail as the board may require.

Sec. 3. This act is effective upon ratification.

In the General Assembly read three times and ratified this the 24th day of June, 1988.

H.B. 2210

CHAPTER 951

AN ACT TO ALLOW THE TOWN OF HOLDEN BEACH TO HOLD ADDITIONAL STREET ASSESSMENTS IN ABEYANCE.

The General Assembly of North Carolina enacts:

Section 1. Section 1 of Chapter 334, Session Laws of 1981 reads as rewritten:

"Section 1. Whenever any assessment is made under G.S. 160A-216(1) by the Town of Holden Beach ~~as to High Point Street, Greensboro Street, Scotch Bonnet Drive, Sand Dollar Drive, Swordfish Drive, or Sailfish Drive,~~ and the governing body finds that any property to be assessed is not developable because of federal or State laws or regulations, the assessment resolution may provide that an assessment levied under that subsection may be held in abeyance without interest until such property can be developed with a habitable dwelling, provided however, that any such assessment is automatically cancelled 15 years after it is levied if it is still being held in abeyance. Upon termination of the period of abeyance, the assessment shall be paid in accordance with the terms set out in the assessment resolution.

All statutes of limitations are suspended during the time that any assessment is held in abeyance without interest."

Sec. 2. This act is effective upon ratification.

In the General Assembly read three times and ratified this the 24th day of June, 1988.

H.B. 2220

CHAPTER 952

AN ACT TO REVISE AND CONSOLIDATE THE CHARTER OF
THE TOWN OF CASTALIA, NORTH CAROLINA.

The General Assembly of North Carolina enacts:

CORPORATE POWERS

Section 1. Incorporation and Corporate Powers. The inhabitants of the Town of Castalia, North Carolina, within the boundaries as established in Section 3 of this Charter or as hereafter established in the manner provided by law, shall continue to be a body politic and corporate by name the Town of Castalia, and under that name shall have perpetual succession; may use a corporate seal; may sue and be sued; may acquire property within or without its boundaries for any municipal purpose, in fee simple or lesser interest or estate, by purchase, gift, devise, lease or condemnation and may sell, lease, hold, manage and control such property as its interests may require; and, as provided by general law or local act applicable to the town, the Town of Castalia shall have and may exercise all municipal powers, functions, rights, privileges and immunities of every name and nature whatsoever. The following shall be deemed to be a part of the powers conferred upon the Town of Castalia by this Section:

(1) To levy, assess and collect taxes within the limits prescribed by general law; and to levy and collect special assessments for benefits conferred.

(2) To furnish all local public services; to purchase, hire, construct, own, maintain and operate or lease local public utilities; to acquire, by condemnation or otherwise, within or without the corporate limits, property necessary for any such purposes, subject to restrictions imposed by general law for the protection of other communities; and to grant local public utility franchises and regulate the exercise thereof.

(3) To make local public improvements and to acquire, by condemnation, or otherwise, property within or without its corporate limits necessary for such improvements; and also to acquire any excess over that needed for any such improvement, and to sell or lease such excess property with restrictions, in order to protect and preserve the improvement.

(4) To issue in the case of a public utility, if deemed desirable by the town, a franchise stating the terms upon which, in case of

foreclosure, the purchaser may operate such utility.

(5) To organize and administer public libraries.

(6) To adopt and enforce within its limits local police, sanitary and other similar regulations not in conflict with general laws.

Except as otherwise provided in this act the board of commissioners shall have authority to determine by whom and in what manner the powers granted by this Section shall be exercised.

Sec. 2. Enumerated Powers Not Exclusive. The enumeration of particular powers by this Charter shall not be held or deemed to be exclusive. All powers of the town, whether expressed or implied, shall be exercised in the manner prescribed by this Charter, or, if not prescribed therein, then in the manner provided by ordinance or resolution of the board of commissioners.

Sec. 3. Corporate Limits. The corporate limits of the town shall be as they exist at the time of ratification of this act, until changed in accordance with law, and shall be as designated in the official map of the Town of Castalia, a copy of which is to be permanently retained in the Town Office.

BOARD OF COMMISSIONERS

Sec. 4. Creation, Salary and Composition of Mayor and Board of Commissioners. (a) Except as otherwise provided in this Charter all powers of the town shall be vested in a board of commissioners of five members and a mayor elected at large by all the qualified voters of the Town of Castalia in the manner hereinafter provided. Elections shall be conducted on the nonpartisan plurality method as set out in G.S. 163-294.

(b) The board of commissioners shall consist of the present five members until the organizational meeting after the regular municipal election in November 1989. As provided by G.S. 160A-68, the date for the organizational meeting shall be set by the Board to be not earlier than the time the election results are certified and not later than the first regular meeting in December. In the regular municipal election held in November 1989, the qualified voters of the Town of Castalia shall elect five members of the board of commissioners and a mayor. The two candidates who receive the most votes shall serve a four-year term. The other three commissioners elected shall serve a two-year term. The mayor shall serve a four-year term. In 1991 and quadrennially thereafter, three commissioners shall be elected for four-year terms. In 1993 and quadrennially thereafter, two commissioners and a mayor shall be elected for four-year terms. Terms of office shall begin at the organizational meeting provided under G.S. 160A-68 of the board of commissioners following the regular municipal election. If a vacancy occurs in the office of mayor or commissioner, the board of commissioners, by majority vote, shall

appoint any qualified voter of the Town of Castalia, including a member of the board of commissioners in case the vacancy is that of mayor, to fill the vacancy until the next municipal election. At such election, the qualified voters of the Town of Castalia shall elect a qualified voter to fill any remaining term, or if there is no remaining term, to a four-year term. Each member of the board of commissioners and the mayor shall receive a salary, the amount of which shall be prescribed by ordinance. Members of the board of commissioners and the mayor shall be qualified voters of the town. A member of the board of commissioners or the mayor ceasing to possess any of the qualifications specified herein shall immediately forfeit his or her office.

Sec. 5. Meeting of the Board of Commissioners. At the organizational meeting following a regular municipal election the board of commissioners shall meet at the usual place for holding its meetings and the newly elected members shall assume the duties of their office after taking their required oaths. Thereafter the board of commissioners shall meet at such times as may be prescribed by ordinance or resolution, but not less than once a month. Special meetings shall be called by the clerk upon written request of the mayor, the mayor pro tem, or any two members of the board of commissioners. Notice of the special meeting shall be as prescribed by the general laws of North Carolina, and shall state the subject to be considered at the meeting and no other subject shall be considered. All meetings of the board of commissioners shall be open to the public as provided by law and the rules of the board of commissioners shall provide that citizens of the town shall have a reasonable opportunity to be heard at any such meeting in regard to matters considered at the meeting.

Sec. 6. Mayor and Mayor Pro Tem. At its organizational meeting following a regular municipal election the board of commissioners shall choose one of its members as vice-chairman, who shall act as mayor pro tem. The mayor shall preside at meetings of the board of commissioners and shall exercise such other powers and perform such other duties as are or may be conferred and imposed upon him by the general laws of North Carolina, by this Charter and the ordinances of the town. He shall be recognized as the head of the town government for all ceremonial purposes, by the courts for serving civil process, and the Governor for purposes of military law. In time of public danger or emergency the mayor shall, if so authorized and directed by vote of the board of commissioners, take command of the police, maintain order and enforce the law. In case of the absence or disability of the mayor, the mayor pro tem shall act as mayor during the continuance of the absence or disability.

Sec. 7. Quorum. No official meeting may be held unless a quorum is present. A quorum is a number equal to a majority of the actual membership of the board plus the mayor, and excluding vacant seats. However, a less number may adjourn from time to time and compel the attendance of absent members in such manner and under such penalties as may be prescribed by ordinance. No member shall be excused from voting except on matters involving the consideration of his own official conduct or when his financial interests are involved.

Sec. 8. Introduction and Passage of Ordinances and Resolutions. Ordinances and resolutions shall be introduced in the board of commissioners only in written or printed form. All ordinances, except ordinances making appropriations and ordinances codifying or rearranging existing ordinances or enacting a code of ordinances, shall be confined to one subject, and the subject, or subjects of all ordinances shall be clearly expressed in the title. Ordinances making appropriations shall be confined to the subject of appropriations. The yeas and nays shall be taken upon the passage of all ordinances and resolutions and entered upon the journal of the proceedings of the board of commissioners.

Sec. 9. Except as otherwise prescribed in this Charter, all other ordinances and resolutions passed by the board of commissioners shall take effect at the time indicated therein.

Sec. 10. Authentication and Publication of Ordinances and Resolutions. Upon its final passage each ordinance or resolution shall be authenticated by the signature of the mayor and the town clerk and shall be recorded in a book kept for that purpose. Within ten days after final passage, a notice setting forth in brief the substance of each ordinance shall be published or posted at least once in such manner as the board of commissioners may prescribe.

ADMINISTRATIVE SERVICE

Sec. 11. Appointment of Officers and Employees. The board of commissioners may appoint a town clerk, a treasurer, a tax collector, an accountant, a town attorney, a chief of police, a fire chief, and such other officers and employees as may be necessary, none of whom need be a resident of the town at the time of appointment: Provided, that the board of commissioners may appoint one person to fill any two or more such positions, provided that it is not in conflict with the general laws of North Carolina. Such employees or officers shall serve at the pleasure of the board of commissioners, and shall perform such duties as may be prescribed by the board of commissioners. The board of commissioners shall fix all salaries, prescribe bonds and require such oaths as they may deem necessary.

Sec. 12. Town Clerk. The board of commissioners shall choose a town clerk. The town clerk shall keep the records of the board of commissioners and perform such other duties as may be required by law or the board of commissioners.

Sec. 13. Duties of Town Attorney. The attorney shall be a qualified attorney at law who shall practice in the State of North Carolina. He shall be the chief legal adviser of and attorney for the town and all departments and officers thereof in matters relating to their official powers and duties. It shall be his duty to perform all services incident to the department of law; to attend all meetings of the board of commissioners; to give advice in writing, when so requested, to the board of commissioners or the director of any department; to prosecute or defend as the case may be, all suits or cases to which the town may be a party; to prepare all contracts, bonds and other instruments in writing in which the town is concerned, and to endorse on each his approval of the form and correctness thereof; and to perform such other duties of a legal nature as the board of commissioners may require. In addition to the duties imposed upon the town attorney by this Charter or required of him by ordinance or resolution of the board of commissioners he shall perform any duties imposed upon the chief legal officers of municipalities by law.

Sec. 14. Duties of Town Tax Collector. Tax collector shall collect all taxes, licenses, fees, and other moneys belonging to the town government subject to the provisions of this Charter and ordinances enacted thereunder, and he shall diligently comply with and enforce the general laws of North Carolina relating to the collection, sale and foreclosure of taxes by municipalities. It shall be the duty of the tax collector to deposit daily in the town depository all money belonging to the town.

Sec. 15. Duties of Town Treasurer. The treasurer, if any, shall have custody of and shall disburse all moneys belonging to the town government subject to the provisions of this Charter and ordinances enacted thereunder; shall have custody of all investments and invested funds of the town or in possession of the town in a fiduciary capacity, and shall keep a record of such investments.

Sec. 16. Custody of Town Money. All money received by any department or agency of the town for or in connection with the business of the town government shall be paid promptly into the town depository. Such institution shall be designated by the board of commissioners in accordance with such regulations and subject to such requirements as to security for deposits and interest thereon as may be established by ordinance. All interest on moneys belonging to the town shall accrue to the benefit of the town government.

Sec. 17. Issuance of Bonds. The town may issue bonds for the

purpose and in the manner prescribed by the general laws of North Carolina for the issuance of bonds by municipalities.

Sec. 18. Independent Audit. As soon as practicable after the close of each fiscal year, an independent audit shall be made of all accounts of the town government by qualified public accountants, selected by the board of commissioners, who have no personal interest directly or indirectly in the financial affairs of the town government or of any of its officers. The results of this audit shall be published immediately upon completion.

MISCELLANEOUS PROVISIONS

Sec. 19. Publicity of Records. Except as restricted by law, all records and accounts of every office and department of the town shall be open to inspection by any citizen or by any representative of the press at all reasonable times and under reasonable regulations established by the board of commissioners.

Sec. 20. Oath of Office. Every officer of the town shall, before entering upon the duties of his office, take and subscribe to the following oath or affirmation, to be filed and kept in the office of the town clerk.

"I solemnly swear (or affirm) that I will support the Constitution and will obey the laws of the United States and of the State of North Carolina; that I will, in all respects observe the provisions of the Charter and ordinances of the Town of Castalia and will faithfully discharge the duties of the office of"

Sec. 21. Continuance of Contracts. All contracts entered into by the town, or for its benefit, prior to the taking effect of this Charter, shall continue in full force and effect. Public improvements for which legislative steps have been taken under laws or charter provisions existing at the time this Charter takes effect may be carried to completion in accordance with the provisions of such existing laws and charter provisions.

Sec. 22. Saving Clause. If any part of this Charter shall be declared invalid by a court of competent jurisdiction, such judgment shall not invalidate the remainder of the Charter. The provisions of this Charter shall supersede all laws and ordinances not consistent herewith, insofar as the Town of Castalia is affected thereby.

Sec. 23. Chapter 716, Session Laws of 1959, except for Section 33, is repealed.

Sec. 24. This act is effective upon ratification, provided that the mayor and board of commissioners in office at the time this Charter takes effect shall continue in office until their successors are elected and qualified as specified herein.

In the General Assembly read three times and ratified this the 24th day of June, 1988.

H.B. 2214

CHAPTER 953

AN ACT TO INCREASE THE MAXIMUM VEHICLE TAX THAT CAN BE LEVIED IN THE TOWN OF MURFREESBORO FROM FIVE DOLLARS TO TWENTY DOLLARS.

The General Assembly of North Carolina enacts:

Section 1. G.S. 20-97(a) reads as rewritten:

" § 20-97. *Taxes compensatory; no additional tax.*--(a) All taxes levied under the provisions of this Article are intended as compensatory taxes for the use and privileges of the public highways of this State, and shall be paid by the Commissioner to the State Treasurer, to be credited by him to the State Highway Fund; and no county or municipality shall levy any license or privilege tax upon any motor vehicle licensed by the State of North Carolina, except that cities and towns other than the City of Durham may levy not more than ~~five dollars (\$5.00)~~ twenty dollars (\$20.00) per year upon any vehicle resident therein, and except that the City of Durham may levy not more than one dollar (\$1.00) per year upon any vehicle resident therein. Provided, further, that cities and towns may levy, in addition to the amounts hereinabove provided for, a sum not to exceed ~~fifteen dollars (\$15.00)~~ twenty dollars (\$20.00) per year upon each vehicle operated in such city or town as a taxicab."

Sec. 2. G.S. 20-97(b) reads as rewritten:

"(b) No additional franchise tax, license tax, or other fee shall be imposed by the State against any franchise motor vehicle carrier taxed under this Article nor shall any county, city or town impose a franchise tax or other fee upon them, except that cities and towns may levy a license tax not in excess of ~~fifteen dollars (\$15.00)~~ twenty dollars (\$20.00) per year on each vehicle operated in such city as a taxicab as provided in subsection (a) hereof."

Sec. 3. This act applies to the Town of Murfreesboro only.

Sec. 4. This act is effective retroactively as of July 1, 1987.

In the General Assembly read three times and ratified this the 24th day of June, 1988.

H.B. 2228

CHAPTER 954

AN ACT TO ALLOW THE TOWNS OF HOLDEN BEACH AND SUNSET BEACH TO MAKE SPECIAL ASSESSMENTS FOR UNDERGROUNDING OF UTILITIES.

The General Assembly of North Carolina enacts:

Section 1. G.S. 160A-216 is amended by adding a new

subdivision to read:

"(1a) The placement of electric power lines underground."

Sec. 2. G.S. 160A-216 is amended by adding a new subdivision to read:

"(1b) The placement of utility lines underground."

Sec. 3. "(a) Section 1 of this act applies only to the Town of Sunset Beach.

"(b) Section 2 of this act applies only to the Town of Holden Beach.

Sec. 4. This act is effective upon ratification.

In the General Assembly read three times and ratified this the 24th day of June, 1988.

H.B. 2254

CHAPTER 955

AN ACT REGARDING THE TAKING OF BLACK BEARS IN CERTAIN COUNTIES.

The General Assembly of North Carolina enacts:

Section 1. The season for hunting black bears during 1988 shall be from the second Monday in November to the following Saturday, both days inclusive.

Sec. 2. The seasons for hunting black bears in 1989 and succeeding years shall be established as authorized by Chapter 113 of the General Statutes; provided, however, there shall be no season for the year for hunting black bears in a county if the board of commissioners of that county adopts an ordinance stating the county's objection to the season that would otherwise be established for that year as authorized by Chapter 113 of the General Statutes.

Sec. 3. Section 3 of Chapter 582 of the 1979 Session Laws is amended by deleting the language "Pasquotank".

Sec. 4. G.S. 113-133.1(e) is amended in the chart by deleting the entry for Pasquotank County.

Sec. 5. This act applies only to the counties of Camden and Pasquotank.

Sec. 6. This act shall become effective October 1, 1988.

In the General Assembly read three times and ratified this the 24th day of June, 1988.

H.B. 2229

CHAPTER 956

AN ACT TO AUTHORIZE THE TOWN OF SUNSET BEACH TO LEVY A ROOM OCCUPANCY AND TOURISM DEVELOPMENT TAX.

The General Assembly of North Carolina enacts:

Section 1. Occupancy tax. (a) Authorization and scope. The Sunset Beach Town Council may by resolution, after not less than 10 days' public notice and after a public hearing held pursuant thereto, levy a room occupancy tax of no more than three percent (3%) of the gross receipts derived from the rental of any room, lodging, or similar accommodation furnished by a hotel, motel, inn, or similar place within the town that is subject to sales tax imposed by the State under G.S. 105-164.4(3) and on the rental of all private residences and cottages, regardless whether the residence or cottage is rented for less than 15 days. This tax is in addition to any State or local sales tax. This tax does not apply to accommodations furnished by nonprofit charitable, educational, or religious organizations.

(b) Collection. Every operator of a business subject to the tax levied under this section shall, on and after the effective date of the levy of the tax, collect the tax. This tax shall be collected as part of the charge for furnishing a taxable accommodation. The tax shall be stated and charged separately from the sales records, and shall be paid by the purchaser to the operator of the business as trustee for and on account of the town. The tax shall be added to the sales price and shall be passed on to the purchaser instead of being borne by the operator of the business. The town shall design, print, and furnish to all appropriate businesses and persons in the town the necessary forms for filing returns and instructions to ensure the full collection of the tax.

(c) Administration. The town shall administer a tax levied under this section. A tax levied under this section is due and payable to the Sunset Beach tax collector in monthly installments on or before the 15th day of the month following the month in which the tax accrues. Every person, firm, corporation, or association liable for the tax shall, on or before the 15th day of each month, prepare and render a return on a form prescribed by the town. The return shall state the total gross receipts derived in the preceding month from rentals upon which the tax is levied. A return filed with the tax collector under this section is not a public record as defined by G.S. 132-1 and may not be disclosed except as required by law.

The tax collector may collect any unpaid taxes levied under this act through the use of attachment and garnishment proceedings as provided in G.S. 105-368 for collection of property taxes. The tax collector has the same enforcement powers concerning the tax imposed by this act as does the Secretary of Revenue in enforcing the State sales tax under G.S. 105-164.30.

(d) Penalties. A person, firm, corporation, or association who fails or refuses to file the return required by this section shall pay a

penalty of ten dollars (\$10.00) for each day's omission. In case of failure or refusal to file the return or pay the tax for a period of 30 days after the time required for filing the return or for paying the tax, there shall be an additional tax, as a penalty, of five percent (5%) of the tax due in addition to any other penalty, with an additional tax of five percent (5%) for each additional month or fraction thereof until the tax is paid.

Any person who willfully attempts in any manner to evade a tax imposed under this section or who willfully fails to pay the tax or make and file a return shall, in addition to all other penalties provided by law, be guilty of a misdemeanor and shall be punishable by a fine not to exceed one thousand dollars (\$1,000), imprisonment not to exceed six months, or both. The town council may, for good cause shown, compromise or forgive the penalties imposed by this subsection.

(e) Distribution and use of tax revenue. The tax collector shall remit the proceeds of this tax to the town on a monthly basis. The funds received by the town pursuant to this act shall be allocated to a special fund and used only for tourism-related expenditures. As used in this act, the term "tourism-related expenditures" includes the following types of expenditures: criminal justice system, fire protection, public facilities and utilities, health facilities, solid waste and sewage treatment, and the control and repair of water front erosion. These funds may not be used for services normally provided by the town on behalf of its citizens unless these services promote tourism and enlarge its economic benefits by enhancing the ability of the town to attract and provide for tourists.

(f) Effective date of levy. A tax levied under this section shall become effective on the date specified in the resolution levying the tax. That date must be the first day of a calendar month, however, and may not be earlier than the first day of the second month after the date the resolution is adopted.

(g) Repeal. A tax levied under this section may be repealed by a resolution adopted by the Sunset Beach Town Council. Repeal of a tax levied under this section shall become effective on the first day of a month and may not become effective until the end of the fiscal year in which the repeal resolution was adopted. Repeal of a tax levied under this section does not affect a liability for a tax that was attached before the effective date of the repeal, nor does it affect a right to a refund of a tax that accrued before the effective date of the repeal.

Sec. 2. This act is effective upon ratification.

In the General Assembly read three times and ratified this the 24th day of June, 1988.

H.B. 2235

CHAPTER 957

AN ACT TO ALLOW RUTHERFORD COUNTY TO LEVY AN AD VALOREM TAX FOR A RECREATIONAL LAKE.

The General Assembly of North Carolina enacts:

Section 1. A county may levy a property tax at an effective rate not in excess of one cent on the one hundred dollars (\$100.00) value of property subject to taxation, for the purpose of a recreational lake, subject to a referendum as provided by G.S. 153A-149(d).

Sec. 2. This act is supplemental to any other authority that a county may have under any other act, public, or local, to levy a tax for the purpose set out in Section 1 of this act.

Sec. 3. In any referendum under Section 1 of this act in Rutherford County, the question on the ballot shall be:

"[] FOR the levy of a property tax at an effective rate not in excess of one cent on the one hundred dollars (\$100.00) value of property subject to taxation, for the purpose of constructing and maintaining a recreation lake known as Site 2R of the Second Broad River Watershed Project.

[] AGAINST the levy of a property tax at an effective rate not in excess of one cent on the one hundred dollars (\$100.00) value of property subject to taxation, for the purpose of constructing and maintaining a recreation lake known as Site 2R of the Second Broad River Watershed Project."

Sec. 4. This act applies to Rutherford County only.

Sec. 5. This act is effective upon ratification.

In the General Assembly read three times and ratified this the 24th day of June, 1988.

H.B. 2239

CHAPTER 958

AN ACT TO AMEND THE FOX HUNTING LAW IN WAYNE COUNTY.

The General Assembly of North Carolina enacts:

Section 1. Chapter 697 of the 1981 Session Laws is amended by adding a new section to read:

"Sec. 1.1. This act does not apply to persons training dogs to hunt foxes in a dog training facility larger than 500 acres that is enclosed with a dog-proof fence."

Sec. 2. This act shall become effective on and after March 16, 1988.

In the General Assembly read three times and ratified this the 24th day of June, 1988.

H.B. 2240

CHAPTER 959

AN ACT TO ALLOW WAKE COUNTY TO CREATE RURAL FIRE PROTECTION DISTRICTS CONTIGUOUS WITH THE BOUNDARIES OF EXISTING COUNTY FIRE SERVICE DISTRICTS AND TO ANNEX TERRITORY TO RURAL FIRE PROTECTION DISTRICTS.

The General Assembly of North Carolina enacts:

Section 1. Section 3 of Chapter 502, Session Laws of 1985, as amended by Chapter 940, Session Laws of 1985 and Chapter 235, Session Laws of 1987 reads as rewritten:

"Sec. 3. Section 1 of this act applies only to Lee County and Wake Counties. In applying Section 1 to Wake County, however, G.S. 69-25.3A(d) as enacted by that section is amended by deleting: 'provided that if such action is taken prior to August 15, 1985, the county board of commissioners may provide that it shall become effective beginning with the 1985-86 fiscal year'. Section 2 of this act applies only to Caldwell, Chatham, Lee, Wake and Wayne Counties. In applying Section 2 to Wayne County and Wake Counties, however, G.S. 69-25.11A(a)(3) is amended by deleting the last two sentences of that subdivision. In applying G.S. 69-25.11A(b) as enacted by that section to Wake County, however, the words ' provided that if such action is taken prior to August 15, 1985, the county board of commissioners may provide that it shall become effective beginning with the 1985-86 fiscal year' are deleted."

Sec. 2. This act is effective upon ratification.

In the General Assembly read three times and ratified this the 24th day of June, 1988.

H.B. 2251

CHAPTER 960

AN ACT TO ALLOW THE CLEVELAND COUNTY BOARD OF COMMISSIONERS, AFTER PUBLIC HEARING, TO EXTEND THE BOUNDARIES OF ANY VOTED FIRE PROTECTION DISTRICT OUT TO FIVE ROAD MILES.

The General Assembly of North Carolina enacts:

Section 1. Article 3A of Chapter 69 of the General Statutes is amended by adding a new section to read:

"§ 69-25.11B. *Additional procedures for annexing area to district.*--(a) In addition to the procedures under G.S. 69-25.11, changes in the area of a fire protection district may be made as follows:

- (1) The area of any fire protection district may be increased by including within the boundaries of the district any adjoining territory which is not within the corporate limits of an incorporated municipality, and which is within five road miles of the fire headquarters.
- (2) Before the public hearing required by subdivision (3), the county board of commissioners shall cause to be prepared a report containing a map of the district and the adjacent territory proposed to be annexed, showing the present and proposed boundaries of the district. The report shall be available for public inspection in the office of the clerk to the board for at least two weeks before the date of the public hearing.
- (3) Hearing and notice. The board shall hold a public hearing before adopting any resolution extending the boundaries of a fire protection district. Notice of the hearing shall state the date, hour and place of the hearing and its subject, and shall include a statement that the report required by subdivision (2) of this section is available for inspection in the office of the clerk to the board. The notice shall be published at least once not less than two weeks before the hearing.

(b) In the event the area of any fire protection district is increased under this section, the increase shall take effect at the beginning of the next succeeding fiscal year after such action is taken."

Sec. 2. This act applies to Cleveland County only.

Sec. 3. This act is effective upon ratification.

In the General Assembly read three times and ratified this the 24th day of June, 1988.

H.B. 2252

CHAPTER 961

AN ACT TO REPEAL THE PROHIBITION OF RUNNING DEER ON PART OF DARE COUNTY.

The General Assembly of North Carolina enacts:

Section 1. Section 4 of Chapter 259 of the 1973 Session Laws reads as rewritten:

"Sec. 4. This act shall apply to all of Dare County except the mainland and Durants Island."

Sec. 2. This act is effective upon ratification.

In the General Assembly read three times and ratified this the 24th day of June, 1988.

H.B. 2279

CHAPTER 962

AN ACT TO AUTHORIZE THE TOWN OF AHOSKIE TO LEVY SPECIAL ASSESSMENTS FOR STREET OR SIDEWALK IMPROVEMENTS.

The General Assembly of North Carolina enacts:

Section 1. Section 1 of Chapter 261, Session Laws of 1987 reads as rewritten:

"Section 1. Notwithstanding the provisions of G.S. 160A-217(a), the Town of Ahoskie may levy special assessments for street or sidewalk improvements ~~if it receives~~ without first receiving a petition for the improvements signed by either a majority in number of the owners of property to be assessed, or ~~by the~~ of owners of a majority of all the lineal feet of frontage of the lands abutting on the street or portion thereof to be improved."

Sec. 2. This act is effective upon ratification.

In the General Assembly read three times and ratified this the 24th day of June, 1988.

H.B. 2295

CHAPTER 963

AN ACT TO AUTHORIZE THE TOWN OF HOLDEN BEACH TO LEVY A ROOM OCCUPANCY AND TOURISM DEVELOPMENT TAX.

The General Assembly of North Carolina enacts:

Section 1. Occupancy tax. (a) Authorization and scope. The Holden Beach Town Council may by resolution, after not less than 10 days' public notice and after a public hearing held pursuant thereto, levy a room occupancy tax of no more than three percent (3%) of the gross receipts derived from the rental of any room, lodging, or similar accommodation furnished by a hotel, motel, inn, or similar place within the town that is subject to sales tax imposed by the State under G.S. 105-164.4(3) and on the rental of all private residences and cottages, regardless whether the residence or cottage is rented for less than 15 days. This tax is in addition to any State or local sales tax. This tax does not apply to accommodations furnished by nonprofit charitable, educational, or religious organizations.

(b) Collection. Every operator of a business subject to the tax levied under this section shall, on and after the effective date of the

levy of the tax, collect the tax. This tax shall be collected as part of the charge for furnishing a taxable accommodation. The tax shall be stated and charged separately from the sales records, and shall be paid by the purchaser to the operator of the business as trustee for and on account of the town. The tax shall be added to the sales price and shall be passed on to the purchaser instead of being borne by the operator of the business. The town shall design, print, and furnish to all appropriate businesses and persons in the town the necessary forms for filing returns and instructions to ensure the full collection of the tax.

(c) Administration. The town shall administer a tax levied under this section. A tax levied under this section is due and payable to the Holden Beach tax collector in monthly installments on or before the 15th day of the month following the month in which the tax accrues. Every person, firm, corporation, or association liable for the tax shall, on or before the 15th day of each month, prepare and render a return on a form prescribed by the town. The return shall state the total gross receipts derived in the preceding month from rentals upon which the tax is levied. A return filed with the tax collector under this section is not a public record as defined by G.S. 132-1 and may not be disclosed except as required by law.

The tax collector may collect any unpaid taxes levied under this act through the use of attachment and garnishment proceedings as provided in G.S. 105-368 for collection of property taxes. The tax collector has the same enforcement powers concerning the tax imposed by this act as does the Secretary of Revenue in enforcing the State sales tax under G.S. 105-164.30.

(d) Penalties. A person, firm, corporation, or association who fails or refuses to file the return required by this section shall pay a penalty of ten dollars (\$10.00) for each day's omission. In case of failure or refusal to file the return or pay the tax for a period of 30 days after the time required for filing the return or for paying the tax, there shall be an additional tax, as a penalty, of five percent (5%) of the tax due in addition to any other penalty, with an additional tax of five percent (5%) for each additional month or fraction thereof until the tax is paid.

Any person who willfully attempts in any manner to evade a tax imposed under this section or who willfully fails to pay the tax or make and file a return shall, in addition to all other penalties provided by law, be guilty of a misdemeanor and shall be punishable by a fine not to exceed one thousand dollars (\$1,000), imprisonment not to exceed six months, or both. The town council may, for good cause shown, compromise or forgive the penalties imposed by this subsection.

(e) Distribution and use of tax revenue. The tax collector shall remit the proceeds of this tax to the town on a monthly basis. The funds received by the town pursuant to this act shall be allocated to a special fund and used only for tourism-related expenditures. As used in this act, the term "tourism-related expenditures" includes the following types of expenditures: criminal justice system, fire protection, public facilities and utilities, health facilities, solid waste and sewage treatment, and the control and repair of water front erosion. These funds may not be used for services normally provided by the town on behalf of its citizens unless these services promote tourism and enlarge its economic benefits by enhancing the ability of the town to attract and provide for tourists.

(f) Effective date of levy. A tax levied under this section shall become effective on the date specified in the resolution levying the tax. That date must be the first day of a calendar month, however, and may not be earlier than the first day of the second month after the date the resolution is adopted.

(g) Repeal. A tax levied under this section may be repealed by a resolution adopted by the Holden Beach Town Council. Repeal of a tax levied under this section shall become effective on the first day of a month and may not become effective until the end of the fiscal year in which the repeal resolution was adopted. Repeal of a tax levied under this section does not affect a liability for a tax that was attached before the effective date of the repeal, nor does it affect a right to a refund of a tax that accrued before the effective date of the repeal.

Sec. 2. This act is effective upon ratification.

In the General Assembly read three times and ratified this the 24th day of June, 1988.

H.B. 2296

CHAPTER 964

AN ACT TO AMEND THE CHARTER OF THE CITY OF HIGH POINT RELATING TO ASSESSMENTS FOR WATER MAINS AND SEWERS.

The General Assembly of North Carolina enacts:

Section 1. Section 8.14(3) of the Charter of the City of High Point, being Chapter 501, Session Laws of 1979, reads as rewritten:

"(3) Water mains and sewers. In the case of water mains and storm and sanitary sewers, the cost of not exceeding an eight (8) inch water and sanitary sewer main and of not exceeding a 30 inch storm sewer main and of such portion of said mains as lie within the limits of the street or streets, or part thereof, to be improved as provided in the petition or resolution ordering the same, shall be assessed against the

abutting property. Such cost shall be assessed against the lots and parcels of land abutting on said street or streets or parts thereof, according to their respective frontages thereon by an equal rate per foot of such frontage; provided, that in case of a corner lot, used as a single lot, where there is a water main or sewer already laid on the intersecting street on which such lot abuts and by which such lot is or can be served, the City Council may provide that no assessment shall be made against said lot for the second water main or sewer for any part of the frontage of said lot except that portion in excess of 150 feet if said lot is or in excess of seventy-five percent (75%) of the frontage of any side of said corner lot, whichever is greater, in a residential section of the city, or in excess of 100 feet if said lot is in a business section of the city, and in such case such portion of said cost as would otherwise be assessed against said lot shall be borne by the city; provided further, that if a water or sanitary sewer main in excess of eight (8) inches in size or a storm sewer main in excess of 30 inches in size is laid in said portion of said street or streets, then the cost of such water or sanitary sewer main in excess of the cost of an eight (8) inch main and the cost of such storm sewer main in excess of a 30 inch main shall be borne by the city; provided further, that if the resolution ordered the construction of any pumping station, outfall, septic tank or disposal plant, no part of the cost of the same shall be specially assessed. Nothing contained herein shall be construed to limit the right of the city to contract with any property owner or owners for the construction of any pumping station, outfall, septic tank or disposal plant or for the construction of water mains or storm or sanitary sewers and for the assessment of the cost thereof according to the terms of such contract."

Sec. 2. This act is effective upon ratification.

In the General Assembly read three times and ratified this the 24th day of June, 1988.

H.B. 2299

CHAPTER 965

AN ACT TO ALLOW SHAMPOOING BY UNLICENSED SHAMPOOERS IN DUPLIN COUNTY.

The General Assembly of North Carolina enacts:

Section 1. G.S. 88-1 reads as rewritten:

" § 88-1. *Practice of cosmetology regulated; permits for operation of cosmetic art shops.*--On and after June 30, 1933, no person or combination of persons shall, for pay or reward, either directly or indirectly, practice or attempt to practice cosmetic art as hereinafter defined in the State of North Carolina without a certificate of

registration, either as a registered apprentice or as a registered 'cosmetologist,' issued pursuant to the provisions of this Chapter by the State Board of Cosmetic Art Examiners hereinafter established and, except as provided in G.S. 88-7.1; the practice of cosmetic art shall not be performed outside of a licensed and regularly inspected beauty establishment.

The operator of a cosmetic art shop, beauty parlor or hairdressing establishment may employ unlicensed personnel to do shampooing only, where the shampooing is done under the supervision of a registered cosmetologist. As used in this paragraph, 'shampooing' includes only the application of shampoo to hair and the removal of the shampoo from the hair, and does not include any arranging, dressing, waving, marcelling or other treatment of hair. This paragraph does not apply to barbershops. This paragraph shall not apply to the following counties: ~~Duplin~~, Guilford, Jones, Lenoir, Mecklenburg, Onslow, Richmond, Sampson.

On and after February 1, 1976, any person, firm or corporation, before establishing or opening a cosmetic art shop not heretofore licensed by the State Board of Cosmetic Art, shall make application to the Board, on forms to be furnished by the Board, for a permit to operate a cosmetic art shop. The shop of such applicant shall be inspected and approved by the State Board of Cosmetic Art by an agent designated for such purpose by the Board before such cosmetic art shop shall be opened for business. It shall be unlawful to open a new cosmetic art shop for the practice of cosmetology until such shop has been inspected, as heretofore required, and determined by the Board to be in compliance with the requirements set forth in this Chapter. Upon the determination by the Board that the applicant has complied with the requirements of this Chapter, the Board shall issue to such applicant a permit to operate a cosmetic art shop. A fee of twenty-five dollars (\$25.00) shall be paid to the Board for the inspection of a cosmetic art shop. Such fee must accompany the application for a permit to operate a cosmetic art shop at the time such application is filed with the Board.

All cosmetic art shops in operation as of February 1, 1976, shall be required to make application to the Board of Cosmetic Art, on forms supplied by the Board, for a permit to operate. The fee required for such permit shall be three dollars (\$3.00) per active booth in said shop.

Hereafter, all permits shall be renewed as of the first day of February of each and every year, and the fee for annual renewal of cosmetic art shop permits shall be as set forth in G.S. 88-21. No permit or certificate shall be transferable from one location to another or from one owner to another at the same location. Each cosmetic art

shop permit shall be conspicuously posted within such cosmetic art shop for which same is issued."

Sec. 2. This act is effective upon ratification.

In the General Assembly read three times and ratified this the 24th day of June, 1988.

H.B. 2313

CHAPTER 966

AN ACT SETTING FORTH THE METHOD OF ELECTING THE DUPLIN COUNTY BOARD OF COMMISSIONERS AND BOARD OF EDUCATION AS ORDERED BY THE UNITED STATES DISTRICT COURT IN FEBRUARY 1988.

Whereas, on February 4, 1988, with the consent of the parties an order was entered by the United States District Court for the Eastern District of North Carolina in the case of National Association for the Advancement of Colored People, Inc., et al. v. Duplin County, et al. (No. 88-5-CIV-7); and

Whereas, the order prescribed a new method of electing the Duplin County Board of Commissioners and Board of Education to resolve the plaintiffs' claim under Section 2 of the federal Voting Rights Act; and

Whereas, it is convenient for reference and for future alterations to have the method of election ordered by the court embodied in legislation; Now, therefore,

The General Assembly of North Carolina enacts:

Section 1. Except as provided in Section 4 of this act following the 1988 elections the Duplin County Board of Commissioners and Board of Education shall each consist of six members elected in partisan elections from the six districts described in Section 8. Only voters who reside in a district may vote in the party primaries and general elections for that district.

Sec. 2. In 1988 four members shall be elected to the Board of Commissioners, one each from Districts I, IV, V and VI. Each member shall be elected for a term to expire in 1992.

Sec. 3. Following the 1988 election incumbent commissioners Vance Alphin and Willis Sholar, each of whose term does not expire until 1990, shall be designated as the members representing the districts in which they reside, which are Districts II and III, respectively. If either of those members leaves office before the expiration of his term, the person appointed to replace him must reside in the same district.

Sec. 4. Following the 1988 election, incumbent commissioner

Dovie L. Penney, whose term does not expire until 1990, shall be designated as an at-large member, giving the Board of Commissioners a temporary, seventh member. When Ms. Penney leaves office, through the expiration of her term, resignation or otherwise, no replacement will be selected and the board will then consist of six members only.

Sec. 5. In 1990 and every four years thereafter, one commissioner each shall be elected from Districts II and III. In 1992 and every four years thereafter, one commissioner each shall be elected from Districts I, IV, V and VI.

Sec. 6. In 1988 and every four years thereafter, three members shall be elected to the Board of Education, one each from Districts I, V and VI. The three other members of the Board of Education shall be elected in 1990 and every four years thereafter. In those years one member each shall be elected from Districts II, III and IV.

Sec. 7. Following the 1988 election the three incumbent members of the Board of Education whose terms do not expire until 1990 shall be designated as the members representing the districts in which they currently reside. Those members and their districts are Steve C. Grady, District II; Carl D. Pate, Sr., District III; and William Richards, District IV. If any of those members leaves office before the end of his term, the person appointed to replace him must reside in the same district.

Sec. 8. The election districts for the Duplin County Board of Commissioners and Board of Education are as follows:

District I - The area within the following boundary running counterclockwise from the intersection of Highway 403 with the Sampson County line: East on Highway 403 to the Faison town limits, southeast along the town limits to the intersection with Highway 117, south on 117 to State Road 1342, southwest on State 1342 (including the residences on both sides of the road) to State Road 1340, south on 1340 (including the residences on both sides of the road) to State Road 1341, southeast on 1341 (including the residences on both sides of the road) to the Warsaw town limits, continuing in a straight line southeast within Warsaw to the intersection with the Seaboard Coast Line railroad tracks, east on the railroad tracks to Front Street, south on Front to College Street, east on College to Pine Crest Drive, southeast on Pine Crest to the town limits, east and north along the town limits to the intersection at the eastern town limit with State Road 1300, east on 1300 to State Road 1375, south on 1375 to Highways 50 and 24, east on 50/24 to the Kenansville town limits, north along the Kenansville town limits to a point directly west of and opposite Allen Street (now Cooper Street), from that point east to Allen (Cooper) Street, east on Allen (Cooper) to Stokes Street, south

on Stokes to the intersection with Seminary Street, then along a straight line from the intersection of Stokes and Seminary south to the intersection of Mallard Street and Main Street, across that intersection and then along a straight line directly south from the intersection of Mallard and Main streets to the town limits, east and North along the town limits to the intersection at the eastern town limits with Highway 24, east on 24 to the Northeast Cape Fear River, north along the river (the township line dividing Kenansville and Smith Townships) to Goshen Swamp, then west along Goshen Swamp to the Sampson County line (Goshen Swamp being the township line dividing Kenansville and Glisson Townships and dividing Faison and Wolfscrape Townships up to a point just south of State Road 1357), then south along the county line to the starting point at Highway 403.

District II - The area within the following boundary running counterclockwise from the intersection of Goshen Swamp with the Sampson County line: Southeast along Goshen Swamp to Northeast Cape Fear River, south along the river to Highway 24, east on 24 to the Beulaville city limits, north and east along the city limits to the intersection of Highway 241 with the northern city limits, north on 241 to Limestone Creek, northeast along the creek and the township line between Smith and Limestone Townships to the Jones County line, then north and west along the county line back to the starting point.

District III - The area included within the following boundary running counterclockwise from the intersection of the Limestone Township line with the Jones County line: Southwest along the township line dividing Smith and Limestone Townships to Limestone Creek, southwest along the creek to Highway 241, south on 241 to the Beulaville town limits, west and south along the town limits to the intersection at the western town limits with Highway 24, east on Highway 24 (Main Street) to Jackson Street, south on Jackson to Cavanaugh Street, then directly east from Cavanaugh for 125 yards, south from that point to Turner Road (excluding Mercer Court apartments from this district), east on Turner to Old Chinquapin Road, south on Old Chinquapin Road to the town limits, west along the town limits to Highway 41, south on Highway 41 (including the residences on both sides of the highway in this district) to the intersection with State Road 1967, south on Highway 41 from that point to the intersection with Highway 111 (formerly State Road 1001), southeast along a straight line from that intersection to Cypress Creek just west of where the creek crosses State Road 1816, southwest along Cypress Creek to the point where it crosses Highway 50 and west with the creek from that point to State Road 1970, north on 1970 to the intersection with Highway 50, then counterclockwise in the

shape of a rectangle around Chinquapin (to include all of Chinquapin in this district) to a point on Highways 50 and 41 west of Chinquapin, west from that point to State Road 1964, north on 1964 to the intersection with State Road 1800, then north and west from that intersection along a line curving north of Hallsville (to include all of Hallsville in this district) to a point west of Hallsville on the township line dividing Kenansville and Limestone Townships, south along that township line to the intersection of Highway 50 and State Road 1961, south on Highway 50 to State Road 1953, southwest on 1953 to the Greenevers town limits, southwest along the southern boundary of the Greenevers town limits to State Road 1949, south on 1949 to State Road 1953, south on 1953 to State Road 1947, southeast on 1947 to the intersection with Highway 41, west on Highway 41 to Island Creek, south along the creek to the Northeast Cape Fear River, south along the Northeast Cape Fear River to the county line, then east and north along the county line back to the starting point.

District IV - The area within the following boundary running counterclockwise from the intersection of Highway 117 with the northern town limits of Magnolia: West, south and east along the Magnolia town limits to the point where Highway 117 intersects with the southern town limits of Magnolia, south on 117 to First Street in Rose Hill, west on First Street to the Seaboard Coast Line railroad track, south along the railroad track to the southern town limits of Rose Hill, east along the town limits to the intersection with Highway 117, south on 117 to the town limits of Teachey, then east, south and west along the Teachey town limits (excluding all of Teachey from this district) to the intersection of Highway 117 with the southern town limits of Teachey, south on 117 to the Wallace town limits, then west, south and east along the Wallace town limits (including all of Wallace in this district) to the intersection of Highway 117 with the southern town limits of Wallace, south on 117 to Rockfish Creek (which is the county line), east along Rockfish Creek to the Northeast Cape Fear River, north along the Northeast Cape Fear River to Island Creek (the boundary for District III), northwest along the creek to the point where it crosses Highway 41, east on Highway 41 to State Road 1947, north on 1947 to the intersection with State Road 1946, southwest along a straight line running from that intersection to the intersection of State Roads 1944 and 1945, west from that intersection along State Road 1944 to Highway 11, west on Highway 11 to State Road 1150, west on 1150 to the line where Interstate Highway 40 is to be constructed, north along the Interstate 40 construction line to the point where it crosses State Road 1162, west on 1162 to State Road 1935, north on 1935 to State Road 1148, east on 1148 to State Road 1933, north on 1933 to State Road 1102, west on 1102 to State Road 1932,

north on 1932 to State Road 1996, northwest on 1996 to State Road 1141, northwest on 1141 to State Road 1915, northwest on 1915 to State Road 1911, then east, north and northwest on 1911 to a point midway between State Roads 1161 and 1912, then along a straight line from that point northwest to the southeast corner of the Magnolia town limits, then north and west along the town limits to the starting point where Highway 117 intersects with the northern town limits.

District V - The area within the following boundary running counterclockwise from the intersection of College Street and South Pine Street in Warsaw: South on South Pine (U.S. 117) to the Warsaw city limits, south on 117 to the Magnolia town limits, east and south along the town limits to the southeastern corner of the town limits, then southeast along a straight line to a point on State Road 1911 midway between State Roads 1161 and 1912, south on 1911 to State Road 1915, southeast on 1915 to State Road 1141, southeast on 1141 to State Road 1996, southeast on 1996 to State Road 1932, south on 1932 to State Road 1102, east on 1102 to State Road 1933, south on 1933 to State Road 1148, west on 1148 to State Road 1935, south on 1935 to State Road 1162, east on 1162 to the construction line for Interstate 40, south along the I-40 construction line to State Road 1150, east on 1150 to Highway 11, northeast on 11 to State Road 1944, east on 1944 to its intersection with State Road 1945, then northeast along a straight line from the intersection of 1944 and 1945 to the intersection of State Roads 1946 and 1947, northwest on 1947 to State Road 1948, northeast on 1948 to State Road 1953, northeast on 1953 to State Road 1949, east and north on 1949 to the Greenevers town limits, east along the southern town limits of Greenevers to State Road 1953, northeast on 1953 to Highway 50, northwest on 50 to the intersection with State Road 1961, northeast along the township line dividing Kenansville and Limestone Townships to a point midway between Persimmons Branch and State Road 1982, east from that point above Hallsville (excluding all of Hallsville from this district) and curving across State Road 1961 to the intersection of State Roads 1800 and 1964, south on 1964 to Highway 50, east on 50 about 2/10 mile to a point just west of Chinquapin, then north, east, south and west along a rectangle around Chinquapin (excluding all of Chinquapin from this district) to the intersection of Highway 50 and State Road 1970, south on 1970 to Cypress Creek, southeast along the creek to Highway 50 just west of Maready, then further along the creek northwest to a point just west of State Road 1816, then northwest in a straight line from that point to the intersection of Highway 41 and 111 (formerly State Road 1001), north on 41 to State Road 1967, then north on 41 (excluding the residences on both sides of 41 from this district) to the Beulaville town limits, east along the

town limits to Old Chinquapin Road, north on Old Chinquapin Road to Turner Road, west on Turner to a point 125 yards from Highway 41, north from that point along a straight line parallel to 41 to a point opposite Cavanaugh Street (including in this district the Mercer Court apartments), west to the intersection of Cavanaugh and Jackson Street, north on Jackson to Highway 24 (Main Street), west on 24 to the Kenansville city limits, south and west along the city limits to a point directly south of the intersection of Mallard Street and Main Street, directly north on a straight line to the intersection of Mallard and Main, then along a straight line from that intersection to the intersection of Seminary Street and Stokes Street, northwest on Stokes to Allen (Cooper) Street, west on Allen (Cooper) to the town limits (Mill Branch), south along the town limits to Highway 24, west on 24 to State Road 1375, north and west on 1375 to State Road 1300, west on 1300 to the Warsaw city limits, then south and west along the town limits to Pine Crest Drive, northwest on Pine Crest to College Street, west on College to the starting point at South Pine Street.

District VI - The area within the following boundary running counterclockwise from the intersection of Highway 403 with the Sampson County line. South and east along the county line to Highway 117 south of Wallace, north on 117 to the Wallace city limits, then west, north and east along the Wallace city limits to Highway 117 north of Wallace (excluding all of the town of Wallace from this district), north on 117 to the Teachey town limits, then east, north and west along the town limits to 117 (including all of Teachey in this district), north on 117 to the Rose Hill city limits, west along the city limits to the Seaboard Coast Line railroad tracks, north along the railroad tracks to First Street, east on First to Highway 117, north on 117 to the Magnolia town limits, then west, north and east along the town limits to Highway 117 (excluding all of Magnolia from this district), north on 117 to the Warsaw city limits and into Warsaw where 117 becomes Pine Street, north on Pine to College Street, west on College to Front Street, north on Front to the Seaboard Coast Line railroad tracks, west along the railroad tracks to the city limits, northwest from that point along State Road 1341 (excluding residences on both sides of the road from this district) to State Road 1340, northwest on 1340 (excluding residences on both sides of the road from this district) to State Road 1342, northeast on 1342 (excluding residences on both sides of the road from this district) to Highway 117, north on 117 to the Faison town limits, then west and north along the town limits to Highway 403, west on 403 to the starting point at the Sampson County line.

When the description of a district states that residences on both sides of a highway are to be included in a district, the residences on

the side of the highway away from the main body of the district that are considered within the district are those homes which are on lots bordering the highway or are on lots directly connected to the highway by a driveway or similar roadway and are located within two hundred yards of the highway.

The district boundaries above are the same as those ordered by the court. The descriptions have been rewritten, however, to provide additional detail and to correct several minor errors in directions.

Sec. 9. The Duplin County Board of Commissions and Board of Education remain subject to the other portions of the court order, which includes provisions requiring reconsideration of the district lines after the 1990 census.

Sec. 10. This act is effective on ratification.

In the General Assembly read three times and ratified this the 24th day of June, 1988.

H.B. 2315

CHAPTER 967

AN ACT TO AMEND SESSION LAWS 1985 (REGULAR SESSION 1986), CHAPTER 903, TO REQUIRE ANY PERSON POSSESSING A FIREARM OR BOW AND ARROW THAT IS READILY AVAILABLE FOR USE TO SECURE AN ENTRY PERMIT BEFORE ENTERING OR REMAINING ON REGISTERED LAND OR REMAINING ON ABUTTING PORTIONS OF HIGHWAY.

The General Assembly of North Carolina enacts:

Section 1. This act amends the portions of Sessions Laws 1985 (Regular Session 1986), Chapter 903, that are indicated in the following sections.

Sec. 2. The caption of Chapter 903 is rewritten to read as follows: "AN ACT TO PROVIDE FOR THE REGISTRATION OF LAND IN VANCE COUNTY AND TO PROHIBIT HUNTING OR THE DISCHARGE OF FIREARMS WITHOUT PERMISSION BY PERSONS ON THE REGISTERED LAND AND REQUIRE ANY PERSON HUNTING OR POSSESSING A FIREARM OR BOW AND ARROW THAT IS READILY AVAILABLE FOR USE TO SECURE AN ENTRY PERMIT BEFORE ENTERING OR REMAINING ON REGISTERED LAND OR REMAINING ON ABUTTING PORTIONS OF HIGHWAY."

Sec. 3. The first sentence of Section 2(b)(4) of Chapter 903 is rewritten to read as follows:

"(4) An agreement by the applicant to issue or cause issuance of an entry permit to all individuals not exempted by Section 5(c) to

whom he or authorized agent gives permission to hunt, or to ~~discharge firearms~~ possess a firearm or bow and arrow that is readily available for use, on the tract or on any highway adjacent to the tract."

Sec. 4. The first sentence of Section 2(c)(4) of Chapter 903 is rewritten to read as follows:

"(4) An agreement to issue or cause issuance of an entry permit to all individuals not exempted by Section 5(c) to whom he or his authorized agent gives permission to hunt, or to ~~discharge firearms~~ possess a firearm or bow and arrow that is readily available for use, on the tract or on any highway adjacent to the tract."

Sec. 5. The second sentence of Section 2(g) of Chapter 903 is rewritten to read as follows:

"Posted notices must measure at least 120 square inches; contain the word 'POSTED' in letters at least three inches high; state that the land is registered with the Sheriff of Vance County and that hunting and the ~~discharge of firearms~~ possession of weapons are prohibited without an entry permit."

Sec. 6. The last two sentences of Section 2(g) of Chapter 903 are rewritten to read as follows:

"A point of entry is where a roadway, trail, path, or other way likely to be used by entering hunters and ~~marksmen~~ weapons possessors leads into the tract. Notices posted along the boundaries of a tract must face in the direction that will most likely be seen by hunters and ~~marksmen~~ weapons possessors."

Sec. 7. The first sentence of Section 3(a) of Chapter 903 is rewritten to read as follows:

"Upon initial or renewal registration of a tract of land, the sheriff must furnish the registrant with a reasonable number of entry permit forms to be carried by individuals given permission to hunt, or to ~~discharge firearms~~ possess a firearm or bow and arrow that is readily available for use, on the registered land on any highway abutting the registered land."

Sec. 8. Section 4 of Chapter 903 is rewritten to read as follows:

"Sec. 4. Affirmative duty of hunters and ~~marksmen~~ weapons possessors to determine if land is registered. Every individual who enters the land of another to hunt or to ~~discharge a firearm~~ who is in possession of a firearm or bow and arrow that is readily available for use and every individual who hunts or ~~discharges a firearm~~ possesses a firearm or bow and arrow that is readily available for use while upon a highway or the land of another is first under a duty to:

(1) Make appropriate inquiries to determine whether the land on which hunting or the ~~discharge of firearms~~ possession of weapons will occur is registered land;

(2) Make appropriate inquiries to determine whether the land

abutting the portion of highway on which hunting or the ~~discharge of firearms~~ possession of weapons will occur is registered land; and

(3) Look for posted notices that may warn him of the registered status of any land on which hunting or the ~~discharge of firearms~~ possession of weapons will occur and for posted notices on the land abutting the portion of the highway on which hunting or the ~~discharge of firearms~~ possession of weapons will occur."

Sec. 9. Section 5 of Chapter 903 is rewritten to read as follows:

"Sec. 5. Hunting or ~~discharging firearms~~ possessing weapons without permission on registered land or on abutting portions of highway; exceptions. (a) No one may hunt or ~~discharge a firearm~~ possess a firearm or bow and arrow that is readily available for use, enter to hunt or discharge a firearm while in possession of a firearm or bow and arrow that is readily available for use, on registered land without having in possession a valid entry permit for that land issued to him.

(b) No one may hunt, or ~~discharge a firearm~~ possess a firearm or bow and arrow that is readily available for use, on any portion of a highway that abuts registered land without having in possession a valid entry permit for that land issued to him.

(c) This section does not apply to the registrant and members of his immediate family who are hunting or ~~discharging firearms~~ possessing weapons on the registrant's land or on abutting portions of highway.

(d) This section does not apply to travelers on the highway in lawful possession of weapons during the course of travel, and who have not stopped or loitered on the highway for the purpose of hunting or the use of weapons."

Sec. 10. Section 8 of Chapter 903 is rewritten to read as follows:

"Sec. 8. Publication of registration provisions by Wildlife Resources Commission. The Wildlife Resources Commission must in its general publications concerning the laws and regulations pertaining to hunting give appropriate publicity to the provisions of the act and the need for hunters and ~~marksmen~~ weapons possessors to make the inquiries set out in Section 4."

Sec. 11. The first sentence of Section 9(b) of Chapter 903 is rewritten to read as follows:

"(b) If an individual hunts or ~~discharges a firearm~~ possesses a weapon on any registered land or on any abutting portion of highway, or if an individual enters registered land to hunt or ~~discharge a firearm on that land~~ while in possession of a weapon, any possessor of that land, any agent of the possessor, any wildlife protector, or any law enforcement officer may request that the individual produce a valid entry permit."

Sec. 12. This act shall become effective July 1, 1988.

In the General Assembly read three times and ratified this the 24th day of June, 1988.

H.B. 2318

CHAPTER 968

AN ACT TO AUTHORIZE THE TOWN OF PINE KNOLL SHORES TO CREATE A SEA TURTLE SANCTUARY.

The General Assembly of North Carolina enacts:

Section 1. The Town of Pine Knoll Shores may create and establish a sea turtle sanctuary within the areas of the town limits above the mean low water mark to include the foreshore. Any ordinance adopted by the town to regulate activities within the sea turtle sanctuary which may or will disturb or destroy a sea turtle, a sea turtle nest, or sea turtle eggs must be consistent with the ordinance powers found in G.S. 160A-174, G.S. 160A-308, and any other law. The ordinance adopted by the town may by cross reference incorporate the criminal statutes regarding the taking of sea turtles at G.S. 113-189 and G.S. 113-337. It shall be unlawful for any person within the sea turtle sanctuary to disturb or destroy a sea turtle, a sea turtle nest, or sea turtle eggs in violation of an ordinance adopted by the Town of Pine Knoll Shores.

Sec. 2. This act is effective upon ratification.

In the General Assembly read three times and ratified this the 24th day of June, 1988.

H.B. 2326

CHAPTER 969

AN ACT TO AUTHORIZE RICHMOND COUNTY TO LEVY A ROOM OCCUPANCY TAX.

The General Assembly of North Carolina enacts:

Section 1. Levy of Tax. (a) The Board of Commissioners of Richmond County may by resolution levy a room occupancy and tourism development tax.

(b) Collection of the tax and liability therefor, shall begin and continue only on and after the first day of a calendar month set by the board of county commissioners in the resolution levying the tax, which in no case may be earlier than the first day of the succeeding calendar month after the date of adoption of the resolution.

Sec. 2. Occupancy Tax. The county room occupancy and tourism development tax that may be levied under this act shall be three percent (3%) of the gross receipts derived from the rental of any

room, lodging, or similar accommodation furnished by any hotel, motel, inn, tourist camp or other similar place within the county now subject to the three percent (3%) sales tax imposed by the State under G.S. 105-164(3). This tax is in addition to any local sales tax. This tax does not apply to gross receipts derived by the following entities from accommodations furnished by them:

- (1) Religious organizations;
- (2) Educational organizations;
- (3) Any business that offers to rent fewer than five units; and
- (4) Summer camps.

Sec. 3. Administration of Tax. (a) Any tax levied under this act is due and payable to the county in monthly installments on or before the 15th day of the month following the month in which the tax accrues. Every person, firm, corporation, or association liable for the tax shall, on or before the 15th day of each month, prepare and render a return on a form prescribed by the county. The return shall state the total gross receipts derived in the preceding month from rentals upon which the tax is levied.

(b) Any person, firm, corporation, or association who fails or refuses to file the return required by this act shall pay a penalty of ten dollars (\$10.00) for each day's omission.

(c) In case of failure or refusal to file the return or pay the tax for a period of 30 days after the time required for filing the return or for paying the tax, there shall be an additional tax, as a penalty, of five percent (5%) of the tax due in addition to the penalty prescribed in subsection (b), with an additional tax of five percent (5%) for each additional month or fraction thereof until the occupancy tax is paid.

(d) Any person who willfully attempts in any manner to evade the occupancy tax imposed under this act or who willfully fails to pay the tax or make and file a return shall, in addition to all other penalties provided by law, be guilty of a misdemeanor and shall be punished by a fine not to exceed one thousand dollars (\$1,000), imprisonment not to exceed six months, or both.

Sec. 4. Collection of Tax. Every operator of a business subject to a tax levied under this act shall, on and after the effective date of the levy of the tax, collect the three percent (3%) room occupancy tax. This tax shall be collected as part of the charge for the furnishing of any taxable accommodation. The tax shall be stated and charged separately from the sales records, and shall be paid by the purchaser to the operator of the business as trustee for and on account of Richmond County. The room occupancy tax levied pursuant to this act shall be added to the sales price and shall be passed on to the purchaser instead of being borne by the operator of the business. The

county shall design, print, and furnish to all appropriate businesses in Richmond County the necessary forms for filing returns and instructions to ensure the full collection of the tax.

An operator of a business who collects the occupancy tax levied under this act may deduct from the amount remitted to the county a discount of three percent (3%) of the amount collected.

Sec. 5. Disposition of Taxes Collected. (a) Richmond County shall remit the net proceeds of the occupancy tax to the county Tourism Development Authority in Richmond County. "Net proceeds" means gross proceeds less the cost to the county of administering and collecting the tax, which may not exceed three percent (3%) of the collected tax.

(b) The Tourism Development Authority may expend any funds distributed to it pursuant to subsection (a) only to further the development of travel, tourism, and conventions in the county through State, national, and international advertising and promotion. The Authority may not use more than twenty-five percent (25%) of the funds distributed to it pursuant to subsection (a) for administrative expenses of the Authority.

Sec. 6. Appointment, Duties of Tourism Development Authority. (a) When the board of county commissioners adopts a resolution levying a room occupancy tax pursuant to this act, it shall also adopt a resolution creating a county Tourism Development Authority, which shall be a public authority under the Local Government Budget and Fiscal Control Act and shall be composed of the following five members:

- (1) A county commissioner appointed by the board of county commissioners;
- (2) One owner or operator of hotels, motels, or other taxable tourist accommodations, who shall be appointed by the board of county commissioners;
- (3) The Executive Director of the Richmond County Area Chamber of Commerce; and
- (4) Two individuals interested in the tourist business who have demonstrated an interest in tourist development, but do not own or operate a hotel, motel, or other taxable tourist accommodation, who shall be appointed by the board of county commissioners.

All members of the Authority shall serve without compensation.

Vacancies in the Authority shall be filled in the same manner as the initial appointments. Members appointed to fill vacancies shall serve for the remainder of the unexpired term which they are appointed to fill. Members shall serve terms as provided in the rules of procedures and bylaws of the Authority.

The members shall elect a chairman. The Authority shall meet at the call of the chairman and shall adopt rules of procedure and bylaws to govern its meetings and activities. The finance officer for Richmond County shall be the ex officio finance officer of the Authority.

(b) The Tourism Development Authority may contract with any person, firm, or agency to advise and assist it in the promotion of travel, tourism, and conventions.

(c) The Tourism Development Authority shall report quarterly and at the close of the fiscal year to the board of county commissioners on its receipts and expenditures for the preceding quarter and for the year in such detail as the board may require.

Sec. 7. Repeal of Levy. (a) The board of county commissioners may by resolution repeal the levy of the room occupancy tax in Richmond County, but no repeal of taxes levied under this Part shall be effective until the end of the fiscal year in which the repeal resolution was adopted.

(b) No liability for any tax levied under this Part that attached prior to the date on which a levy is repealed shall be discharged as a result of the repeal, and no right to a refund of a tax that accrued prior to the effective date on which a levy is repealed shall be denied as a result of the repeal.

Sec. 8. This act is effective upon ratification.

In the General Assembly read three times and ratified this the 24th day of June, 1988.

H.B. 2332

CHAPTER 970

AN ACT TO AUTHORIZE PENDER COUNTY TO LEVY A ROOM OCCUPANCY AND TOURISM DEVELOPMENT TAX.

The General Assembly of North Carolina enacts:

Section 1. Occupancy tax. (a) Authorization and scope. The Pender County Board of Commissioners may by resolution, after not less than 10 days' public notice and after a public hearing held pursuant thereto, levy a room occupancy tax of up to three percent (3%) of the gross receipts derived from the rental of any room, lodging, or similar accommodation furnished by a hotel, motel, inn, or similar place within the county that is subject to sales tax imposed by the State under G.S. 105-164.4(3) and is not subject to a tax imposed pursuant to Part IX of Chapter 908 of the 1983 Session Laws. This tax is in addition to any State or local sales tax. This tax does not apply to accommodations furnished by nonprofit charitable, educational, or religious organizations.

(b) Collection. Every operator of a business subject to the tax levied under this section shall, on and after the effective date of the levy of the tax, collect the tax. This tax shall be collected as part of the charge for furnishing a taxable accommodation. The tax shall be stated and charged separately from the sales records, and shall be paid by the purchaser to the operator of the business as trustee for and on account of the county. The tax shall be added to the sales price and shall be passed on to the purchaser instead of being borne by the operator of the business. The county shall design, print, and furnish to all appropriate businesses and persons in the county the necessary forms for filing returns and instructions to ensure the full collection of the tax. An operator of a business who collects the occupancy tax levied under this section may deduct from the amount remitted to the county a discount of three percent (3%) of the amount collected.

(c) Administration. The county shall administer a tax levied under this section. A tax levied under this section is due and payable to the county finance officer in monthly installments on or before the 15th day of the month following the month in which the tax accrues. Every person, firm, corporation, or association liable for the tax shall, on or before the 15th day of each month, prepare and render a return on a form prescribed by the county. The return shall state the total gross receipts derived in the preceding month from rentals upon which the tax is levied.

A return filed with the county finance officer under this section is not a public record as defined by G.S. 132-1 and may not be disclosed except as required by law.

(d) Penalties. A person, firm, corporation, or association who fails or refuses to file the return required by this section shall pay a penalty of ten dollars (\$10.00) for each day's omission. In case of failure or refusal to file the return or pay the tax for a period of 30 days after the time required for filing the return or for paying the tax, there shall be an additional tax, as a penalty, of five percent (5%) of the tax due in addition to any other penalty, with an additional tax of five percent (5%) for each additional month or fraction thereof until the tax is paid.

Any person who willfully attempts in any manner to evade a tax imposed under this section or who willfully fails to pay the tax or make and file a return shall, in addition to all other penalties provided by law, be guilty of a misdemeanor and shall be punishable by a fine not to exceed one thousand dollars (\$1,000), imprisonment not to exceed six months, or both. The board of commissioners may, for good cause shown, compromise or forgive the penalties imposed by this subsection.

(e) Use of tax revenue. Pender County may use the proceeds of an occupancy tax levied under this section for any lawful purpose.

(f) Effective date of levy. A tax levied under this section shall become effective on the date specified in the resolution levying the tax. That date must be the first day of a calendar month, however, and may not be earlier than the first day of the second month after the date the resolution is adopted.

(g) Repeal. A tax levied under this section may be repealed by a resolution adopted by the Pender County Board of Commissioners. Repeal of a tax levied under this section shall become effective on the first day of a month and may not become effective until the end of the fiscal year in which the repeal resolution was adopted. Repeal of a tax levied under this section does not affect a liability for a tax that was attached before the effective date of the repeal, nor does it affect a right to a refund of a tax that accrued before the effective date of the repeal.

Sec. 2. This act is effective upon ratification.

In the General Assembly read three times and ratified this the 24th day of June, 1988.

H.B. 2334

CHAPTER 971

**AN ACT TO REPEAL THE PROHIBITION OF THE
MANUFACTURE AND SALE OF LIQUOR IN THE TOWN OF
WADE.**

The General Assembly of North Carolina enacts:

Section 1. Section 8 of Chapter 408 of the Private Laws of 1913 is repealed.

Sec. 2. This act is effective upon ratification.

In the General Assembly read three times and ratified this the 24th day of June, 1988.

H.B. 2343

CHAPTER 972

**AN ACT PROVIDING FOR THE ELECTION OF THE CRAVEN
COUNTY BOARD OF COMMISSIONERS.**

The General Assembly of North Carolina enacts:

Section 1. Effective on the first Monday in December, 1990, the Craven County Board of Commissioners shall be increased from five to seven members. All seven members shall be elected every four years. The first election for all seven members shall be in 1990. At that and subsequent elections the members shall be elected according

to Section 2 of this act.

Sec. 2. One member each shall be elected from Districts 1, 3, and 5. Two members each shall be elected from Districts 2 and 4. Only voters residing in a district may vote in the primaries and elections for the members from that district.

In Districts 2 and 4 the two seats from each of those districts shall be designated as Seats 2A and 2B and as Seats 4A and 4B, respectively. Each of those seats shall be voted on separately. Although all voters in District 2 may vote for both Seat 2A and Seat 2B, only persons who reside in subdistrict A of District 2 may be candidates for Seat 2A and only persons who reside in subdistrict B may be candidates for Seat 2B. Likewise, all voters in District 4 may vote for both Seat 4A and 4B, but only persons who reside in subdistrict A of District 4 may be candidates for Seat 4A and only persons who reside in subdistrict B may be candidates for Seat 4B.

Sec. 3. The five districts are as follows:

District 1--This district consists of all of Townships 1 and 2.

District 2--This district consists of all the area within the following subdistricts A and B:

A: All of Townships 3 and 9; Peppercorn Road (including homes on both sides of the road in this district); and the remaining portion of Township 8 within 1980 census enumeration Districts 264A, 264U and 265D except for: (1) the portion of 265D northeast of the intersection of Trent Road and U.S. 70 By-Pass and east of a line running from that point to the western end of Meadowbrook Avenue (excluding all of the homes on Meadowbrook from this district and putting them in subdistrict 2B); and (2) the portion of 265D which includes Fairwoods Lane and the southern side of Amhurst Boulevard between Glenburnie Road and Fairwoods Lane (excluding Fairwoods Lane and that portion of Amhurst Boulevard from this district and placing them in subdistrict 2B).

B: The portion of Township 8 not in subdistrict 2A or District 3.

District 3--This district consists of the Pembroke Water and Sewer District plus the portion of the City of New Bern east and north of the following line running roughly north to south from its beginning at the northern most point where the city limits meet the Neuse River: Southwest along the city limits to East Rose Street, west on Rose Street to Jack Smith Creek, southwest along the creek to Hazel Avenue Extension (including all of Carver Street in the district), south on Hazel Avenue to Neuse Boulevard, southeast on Neuse to Chattawka Lane, south on Chattawka to Trent Boulevard, west on Trent to Fifth Street, south on Fifth across U.S. 70 By-Pass to Lanes Branch the southern city limit), and east from that point along the city limits to the Trent River.

District 4--This district consists of all the area within the following subdistricts A and B:

- A: All of Township 7 and that portion of Township 6 west of the following line running north to south from the western boundary of the U.S. Marine Corps Cherry Point Air Station (USMAC) at the Neuse River: South along the western boundary line of USMAC to its intersection with Cedar Creek, south along Cedar Creek to Slocum Creek, south with the southwest prong of Slocum Creek to the Atlantic & East Carolina Railroad, southeast along the railroad to State Road 1756, southwest on 1756 to the Camp Lejeune Railroad, southwest along the railroad to the Carteret County line. This subdistrict is the same as Board of Education District 5 as described in Chapter 236 of the Session Laws of 1983.
- B: The area between the eastern boundary of subdistrict 4A as described above and the following line running north to south from the mouth of Hancock Creek at the Neuse River: South along the run of Hancock Creek to a point where Roosevelt Boulevard extended would intersect Hancock Creek, west and south on Roosevelt to U.S. Highway 70, south on 70 to the Carteret County line. This subdistrict is the same as Board of Education District 6 as described in Chapter 236 of the Session Laws of 1983.

District 5--This district consists of all of Township 5 and the portion of Township 6 east of the eastern boundary of subdistrict 4B described above. This district is the same as Board of Education District 7 as described in Chapter 236 of the Session Laws of 1983.

Sec. 4. If a member elected from District 1, 3 or 5 pursuant to this act dies, resigns or otherwise leaves office, the person appointed to fill the vacancy must reside in the same district as the member leaving office. If a member elected from District 2 or 4 pursuant to this act dies, resigns or otherwise leaves office, the person appointed to fill the vacancy must reside in the same subdistrict as the member leaving office.

Sec. 5. Chapter 306 of the Session Laws of 1971, Chapter 604 of the Public-Local Laws of 1939, Chapter 233 of the Public-Local Laws of 1931, Chapter 11 of the Public-Local Laws of 1927, and all other other local acts concerning the method of electing the Craven County Board of Commissioners, are repealed.

Sec. 6. This act is effective upon ratification and shall apply to elections held in 1990 and later.

In the General Assembly read three times and ratified this the 24th day of June, 1988.

H.B. 2354

CHAPTER 973

AN ACT TO REPEAL THE PROHIBITION OF THE MANUFACTURE AND SALE OF LIQUOR IN THE TOWN OF GODWIN.

The General Assembly of North Carolina enacts:

Section 1. Section 8 of Chapter 397 of the Private Laws of 1905 is repealed.

Sec. 2. This act is effective upon ratification.

In the General Assembly read three times and ratified this the 24th day of June, 1988.

H.B. 2356

CHAPTER 974

AN ACT TO PROVIDE FOR A SPECIAL PRIMARY TO FILL A VACANCY ON THE VANCE COUNTY BOARD OF EDUCATION, AND TO PROVIDE THAT IN FILLING FURTHER VACANCIES, THE BOARD OF EDUCATION MUST CHOOSE THE CANDIDATE RECOMMENDED BY THE COUNTY PARTY EXECUTIVE COMMITTEE OF THE VACATING MEMBER.

Whereas, Chapter 262, Session Laws of 1967, provides that where a vacancy occurs on the Vance County Board of Education during the first two years of a term, an election is to be held to choose a successor for the remaining two years of the term, but that act fails to provide a method for making party nominations after the normal candidate filing deadline; and

Whereas, clarification is needed as to the procedure for the Board of Education filling the vacancy until that election is held; Now, therefore,

The General Assembly of North Carolina enacts:

Section 1. Section 7 of Chapter 262, Session Laws of 1967, is amended by adding the following immediately after the words "and at such next general election the remaining portion of the unexpired term shall be filled by election.": "Nominations shall be made in accordance with G.S. 163-115, except where the nomination is to be made by the county party executive committee under that section because it is the appropriate executive committee under G.S. 163-114, only the members of the county executive committee who live in the district of the vacating member may vote."

Sec. 2. (a) In accordance with Section 7 of Chapter 262, Session Laws of 1967, an election shall be held on the Tuesday after the first Monday in November 1988, to fill the remaining two years of an unexpired term on the Vance County Board of Education.

(b) Instead of using the nomination procedures provided in that section as amended by Section 1 of this act, a special primary shall be held to nominate candidates.

Sec. 3. (a) Notwithstanding G.S. 163-1, the partisan primary for the election scheduled by Section 2 of this act shall be held on the third Tuesday of August 1988.

(b) Notwithstanding G.S. 163-291(2) notices of candidacy for the 1988 election for the Vance County Board of Education scheduled by Section 2 of this act shall be filed with the Vance County Board of Elections not earlier than 12:00 noon on the second day (excluding Saturdays and Sundays) after this act is approved under Section 5 of the Voting Rights Act of 1965, and not later than 12:00 noon on the last Friday in July of 1988. Legal notice of the general election shall be given in accordance with law, but legal notice of the primary shall be given as soon as practicable after ratification of this act, but no later than 20 days prior to the primary. Absentee ballots for the primary and general election shall be available as soon as practicable.

(c) Notwithstanding G.S. 163-111(e), a second primary, if necessary, shall be held three weeks after the first primary.

Sec. 4. (a) This section is only effective if approval of Section 2(b) of this act by the United States Department of Justice under Section 5 of the Voting Rights Act of 1965 comes at a time to allow less than five days of candidate filing (Saturdays and Sundays excluded), or if the United States Department of Justice interposes objection to Section 3 of this act under Section 5 of the Voting Rights Act of 1965. If this section becomes effective, then Section 3 of this act is not effective.

(b) Notwithstanding G.S. 163-1, the partisan primary for the election scheduled by Section 2 of this act shall be held on the second Tuesday of September 1988.

(c) Notwithstanding G.S. 163-291(2), notices of candidacy for the 1988 election for the Vance County Board of Education scheduled by Section 2 of this act shall be filed with the Vance County Board of Elections not earlier than 12:00 noon on the second day (excluding Saturdays and Sundays) after this act is approved under Section 5 of the Voting Rights Act of 1965, and not later than 12:00 noon on the second Friday in August of 1988, except that the State Board of Elections may approve a different filing schedule if necessary to meet time constraints caused by the date of approval of this Section 2 of this act and this section by the United States Department of Justice under

Section 5 of the Voting Rights Act of 1965. Legal notice of the general election shall be given in accordance with law, but legal notice of the primary shall be given as soon as practicable after ratification of this act, but no later than 20 days prior to the primary. Absentee ballots for the primary and general election shall be available as soon as practicable.

(d) Notwithstanding G.S. 163-111, the results of the 1988 primary election called by Section 2 of this act shall be determined as follows:

- (1) When more than one person is seeking election to a single office, the candidate who receives the highest number of votes shall be declared the nominee.
- (2) If two or more candidates receiving the highest number of votes each receive the same number of votes, the Vance County Board of Elections shall determine, by lot, from among those candidates receiving the same number of votes, the party nominee.

Sec. 5. G.S. 115C-37.1 reads as rewritten:

"§ 115C-37.1. *Vacancies in offices of county boards elected on partisan basis in certain counties.*--(a) All vacancies in the membership of county boards of education which are elected by public or local act on a partisan basis shall be filled by appointment of the person, board, or commission specified in the act, except that if the act specifies that appointment shall be made by a party executive committee, then the appointment shall be made instead by the remaining members of the board.

(b) If the vacating member was elected as the nominee of a political party, then the person, board, or commission required to fill the vacancy shall consult with the county executive committee of that party and appoint the person recommended by that party executive committee, if the party executive committee makes a recommendation within 30 days of the occurrence of the vacancy.

(c) Whenever only the qualified voters of less than the entire county were eligible to vote for the member whose seat is vacant (either because the county administrative unit was less than countywide or only residents of certain areas of the administrative unit could vote in the general election for a district seat), the appointing authority must accept the recommendation only if the county executive committee restricted voting to committee members who represent precincts all or part of which were within the territory of the vacating school board member.

(d) This section shall apply only in the following counties: Alamance, Alleghany, Avery, Beaufort, Brunswick, Buncombe, Burke, Cabarrus, Caldwell, Cherokee, Clay, Cleveland, Davidson,

Davie, Graham, Guilford, Haywood, Henderson, Jackson, Madison, McDowell, Mecklenburg, Moore, New Hanover, Polk, Randolph, Rockingham, Rutherford, Stanly, Stokes, Transylvania, Vance, Wake, Washington, and Yancey."

Sec. 6. This act is effective upon ratification.

In the General Assembly read three times and ratified this the 24th day of June, 1988.

S.B. 511

CHAPTER 975

AN ACT TO MAKE TECHNICAL AMENDMENTS TO THE INSURANCE LAW.

The General Assembly of North Carolina enacts:

Section 1. 1987 Session Law Chapter 631 is amended in Section 11 by substituting "Section 4" for "Section 3".

Sec. 2. 1987 Session Laws Chapter 864 is amended in Section 42 by substituting "58-251.1(b)(11)" for "58-251.1(11)".

Sec. 3. G.S. 58-18.1(c)(4) is amended by deleting "by the insurer" from the first line.

Sec. 4. G.S. 58-124.31(e) is amended by deleting "the safe driver plans under G.S. 58-30.4 and" from the second line.

Sec. 5. G.S. 58-124.31(b) is amended by deleting the second paragraph, which begins with "As used" and ends with "Statutes".

Sec. 6. G.S. 58-124.32(d) is amended by adding the following: "The escrow provisions of G.S. 58-124.22(b) apply to any order of the Commissioner under this subsection."

Sec. 7. G.S. 143-137(b) is amended in the penultimate sentence by substituting "Seven" for "Five".

Sec. 8. G.S. 58-611(d) is amended by substituting "58-614(e)" for "58-614(d)".

Sec. 9. G.S. 58-612 is amended in the last sentence by substituting "58-614(n)" for "58-614(m)".

Sec. 10. G.S. 58-614(c) is amended in the last sentence by substituting "agent's" for "agents".

Sec. 11. G.S. 58-633 is amended:

(a) In the 4th line by inserting "limited representative," immediately after "broker,."; and

(b) in the 15th line by substituting "of" for "or".

Sec. 12. G.S. 58-44.4 is amended by substituting "58-617(h)" for "58-614(h)".

Sec. 13. G.S. 58-428(c) is amended by rewriting the first three sentences to read:

"The Commissioner may, at such times that he deems to be appropriate, make or cause to be made an examination of each advisory organization; in which case the provisions of G.S. 58-16, 58-16.2, 58-17, 58-18, 58-22, 58-25, 58-25.1, 58-26, and 58-27 shall apply."

Sec. 14. G.S. 58-433(e) is amended by substituting "two years" for "one year".

Sec. 15. G.S. 58-73 is amended in the second sentence by:

(a) Inserting immediately after "indemnity" the following: ", or an acceptable alternative approved by the Commissioner, "; and

(b) Changing the comma to a semicolon immediately after "corporation".

Sec. 16. G.S. 58-150 is amended by:

(a) Adding the following: "(7) Satisfies the Commissioner that it is in compliance with the company name requirements of G.S. 58-73."; and

(b) By substituting "Satisfies" for "Satisfied" in paragraph (6).

Sec. 17. G.S. 58-151(b) is repealed; and G.S. 58-151(a) is redesignated as G.S. 58-151.

Sec. 18. G.S. 58-173.2(3a) and G.S. 58-173.17(c) are each amended by inserting ", or their successor forms of coverage," between "policies" and "approved".

Sec. 19. G.S. 58-173.2(4) is amended by inserting "or their successor forms of coverage," immediately before "as approved".

Sec. 20. G.S. 58-173.3 is amended in the first sentence by inserting "essential" immediately before "property insurance".

Sec. 21. G.S. 58-173.8(a) is amended by rewriting the third sentence to read:

"Each application shall contain a statement as to whether or not there is any unpaid premiums due from the applicant for essential property insurance on the property."

Sec. 22. G.S. 58-173.8(b) is amended by rewriting lines 7 and 8 to read:

"perils endorsements, crime insurance, separate policies of windstorm and hail insurance, or their successor forms of coverage,".

Sec. 23. G.S. 58-173.8(e) is amended in the first and second sentences by substituting "essential property" for "fire".

Sec. 24. G.S. 58-173.10 is rewritten to read:

"§ 58-173.10. *Rates, rating plans, rating rules, and forms applicable.*--The rates, rating plans, rating rules, and forms applicable to the insurance written by the Association shall be in accordance with the most recent manual rates and forms that are legally in effect in the

State. No special surcharge, other than those presently in effect, may be applied to the property insurance rates of properties located in the beach area."

Sec. 25. G.S. 58-173.20 is amended by rewriting lines 5 and 6 to read:

"dorsements, and crime insurance policies, or their successor forms of coverage; to reinsure in whole or in part, any such policies; and".

Sec. 26. Article 18B of General Statute Chapter 58 is amended by adding a new section to read:

"§ 58-173.30. *Annual reports.*--On or before January 1 of each year the association shall file with the Commissioner a statement that summarizes the transactions, conditions, operations, and affairs of the association during the preceding year. The statement shall contain such matters and information as are prescribed by the Commissioner and shall be in such form as is approved by him. The Commissioner may at any time require the association to furnish him with any additional information with respect to its transactions or any other matter that the Commissioner deems to be material to assist him in evaluating the operation and experience of the association."

Sec. 27. G.S. 58-173.14 is amended by substituting "January" for "July".

Sec. 28. Article 18B of General Statute Chapter 58 is further amended by adding a new section to read:

"§ 58-173.31. *Rates, rating plans, rating rules, and forms applicable.*--The rates, rating plans, rating rules, and forms applicable to the insurance written by the association shall be in accord with the most recent manual rates and forms that are legally in effect in this State. No special surcharge, other than those presently in effect, may be applied to the property insurance rates of properties located in the geographic areas to which this Article applies."

Sec. 29. G.S. 58-173.20 is amended by adding the following:

"The directors of the Association may, subject to the approval of the Commissioner, amend the plan of operation at any time. The Commissioner may review the plan of operation at any time he deems to be expedient or prudent, but not less than once in each calendar year. After review of such plan the Commissioner may amend the plan after consultation with the directors and upon certification to the directors of such amendment."

Sec. 30. G.S. 58-615(e)(4) is amended by deleting "not to exceed thirty-five dollars (\$35.00)," from the subdivision.

Sec. 31. G.S. 58-478(b) is amended by substituting "G.S. 58-473, 58-474, and 58-475" for "G.S. 58-473 and G.S. 58-474".

Sec. 32. G.S. 159-29(c) is amended by rewriting the last sentence to read:

"However, although an individual bond is required for an elected official, a tax collector, or finance officer, such an officer or elected official may also be included within the coverage of a blanket bond if the blanket bond protects against risks not protected against by the individual bond."

Sec. 33. G.S. 20-279.21(b)(3)b is amended by adding the following at the end:

"The failure to post notice to the insurer 60 days in advance of the initiation of the suit shall not be grounds for dismissal of the action, but shall automatically extend the time for filing of an answer or other pleadings to 60 days after the time of service of the summons, complaint, or other process on the insurer."

Sec. 34. Section 9 of 1987 Session Law Chapter 752 is amended by inserting "58A" between "58," and "69".

Sec. 35. This act is effective upon ratification.

In the General Assembly read three times and ratified this the 27th day of June, 1988.

S.B. 758

CHAPTER 976

AN ACT TO AUTHORIZE REVENUE BONDS TO BE ISSUED TO FINANCE FACILITIES FOR AGENCIES OF THE FEDERAL GOVERNMENT.

The General Assembly of North Carolina enacts:

Section 1. G.S. 159-81(3) is amended by adding the following new sub-subdivision:

"(n) Facilities for the use of any agency or agencies of the government of the United States of America."

Sec. 2. G.S. 159-83 is amended by adding the following new subsection:

"(d) In addition to the powers they may now or hereafter have, the State and each municipality shall have the following powers, notwithstanding any provisions of this Article or any other statute to the contrary, in connection with the development of facilities for the use of any agency or agencies of the government of the United States of America:

- (1) To acquire, construct, own jointly with public and private parties, lease as lessor or lessee, mortgage, sell, or otherwise dispose of lands, facilities and improvements, including undivided interests therein and to do so, regardless of the provisions of any other statute, on such terms (i) in the case of the State, as the Council of State and (ii) in the case of a municipality, as the governing board may deem

advisable to carry out the provisions of this subsection;

- (2) To finance and refinance facilities and related improvements for the use of any agency of the government of the United States of America;
- (3) To secure any such financing or refinancing by all or any portion of the revenue, income or assets or other available monies associated with such facilities and improvements to be financed or refinanced, and by foreclosable liens on all or any part of the facilities and improvements to be financed or refinanced, but in no event to create a debt secured by a pledge of its faith and credit."

Sec. 3. This act is effective upon ratification.

In the General Assembly read three times and ratified this the 27th day of June, 1988.

S.B. 1566

CHAPTER 977

AN ACT CHANGING THE APPOINTMENT OF COMMISSIONERS TO THE PITT COUNTY INDUSTRIAL DEVELOPMENT COMMISSION AND ENLARGEMENT OF THE COUNTY'S POWERS TO ENCOURAGE LOCATION OF INDUSTRIAL PROSPECTS.

The General Assembly of North Carolina enacts:

Section 1. Section 8 of Chapter 858 of the 1957 Session Laws is amended by deleting all the language after the first semi-colon and substituting;

"such Commission shall be composed of so many members as may be determined and appointed by the Pitt County Board of Commissioners, and said appointees shall be residents of Pitt County. The terms of office of the members of the Industrial Development Commission shall be determined at the discretion of the Pitt County Board of Commissioners. All appointments for unexpired terms resulting from resignation, death or other causes shall be made by the Pitt County Board of Commissioners. After all of the members of the Commission shall have been appointed, the Commission shall hold its first meeting within 30 days and the beginning date of all terms of office of the members of the Commission shall be the date on which the Commission holds its first meeting. The current membership of the Commission existing prior to the amendment of this section shall continue to function as duly appointed members until the first meeting is held, at which time they shall no longer be a member of the Commission. At said first meeting, the new members by a majority vote, shall name and select from their membership their own

chairman, vice-chairman, secretary and treasurer, and shall adopt by-laws and procedural rules and policies. The treasurer shall have supervision of all funds administered by the Commission in any way whatsoever; shall sign and countersign all checks, drafts, bills of exchange, or any and all other negotiable instruments which shall properly be issued under his supervision; and shall furnish such surety bond as shall be designated by the Board of Commissioners of Pitt County. No money, property or funds of the Commission herein created shall be used directly or indirectly as a subsidy or investment in capital stock or capital assets in any business, industry or business venture; provided, however, nothing herein contained shall restrict the Pitt County Board of Commissioners from assisting in the promotion and economic development activities as provided in G.S. 158-7.1. as may be amended from time to time."

Sec. 2. This act is effective upon ratification.

In the General Assembly read three times and ratified this the 27th day of June, 1988.

S.B. 1626

CHAPTER 978

AN ACT TO CORRECT THE CORPORATE BOUNDARIES OF THE TOWN OF MARSHVILLE.

The General Assembly of North Carolina enacts:

Section 1. The territory described below is included within the corporate boundaries of the Town of Marshville in Union County:

Beginning at an iron stake located in the southern edge of the 150' right-of-way of U.S. Highway #74, said point of beginning being the northeastern corner of the Palomino Restaurant property, said point also being the northwest corner of the property herein described and running thence from said point of beginning and with the southern edge of the 150' right-of-way of U.S. Highway #74, N 84° 45' E 410.90' to a point; thence leaving said right-of-way and running S 4° 35' E 650.00' to a point; thence S 84° 45' W 506.24' to a point; thence N 65° 16' 20" W 54.13' to a point; thence N 5° 45' 40" W 443.08' to a point an "iron" located in the Palomino Restaurant property line; thence running along the Palomino Restaurant property line N 84° 46' 30" E 152.47' to a point and N 4° 43' 30" W 179.91' to the point of beginning, containing 7.7 acres more or less according to a site plan of the "Marshville Plaza Shopping Center" property prepared by Herschel Walters, architect, from a field survey made by James Harrington, registered surveyor.

Sec. 2. The purpose of this act is to correct procedural errors made in connection with the annexation ordinance for a voluntary

annexation pursuant to G.S. 160A-31 adopted by the Town of Marshville Board of Aldermen on October 6, 1986, which became effective on November 2, 1986.

Sec. 3. Section 1 of this act is effective retroactively from and after November 2, 1986. Sections 2 and 3 are effective upon ratification.

In the General Assembly read three times and ratified this the 27th day of June, 1988.

H.B. 280

CHAPTER 979

AN ACT TO AUTHORIZE HERTFORD COUNTY TO LEVY A ROOM OCCUPANCY AND TOURISM DEVELOPMENT TAX.

The General Assembly of North Carolina enacts:

Section 1. Occupancy tax. (a) Authorization and scope. The Hertford County Board of Commissioners may by resolution, after not less than ten days' public notice and after a public hearing held pursuant thereto, levy a room occupancy tax of up to three percent (3%) of the gross receipts derived from the rental of any room, lodging, or similar accommodation furnished by a hotel, motel, inn, or similar place within the county that is subject to sales tax imposed by the State under G.S. 105-164.4(3). This tax is in addition to any State or local sales tax. This tax does not apply to accommodations furnished by nonprofit charitable, educational, or religious organizations.

(b) Collection. Every operator of a business subject to the tax levied under this section shall, on and after the effective date of the levy of the tax, collect the tax. This tax shall be collected as part of the charge for furnishing a taxable accommodation. The tax shall be stated and charged separately from the sales records, and shall be paid by the purchaser to the operator of the business as trustee for and on account of the county. The tax shall be added to the sales price and shall be passed on to the purchaser instead of being borne by the operator of the business. The county shall design, print, and furnish to all appropriate businesses and persons in the county the necessary forms for filing returns and instructions to ensure the full collection of the tax. An operator of a business who collects the occupancy tax levied under this section may deduct from the amount remitted to the county a discount of three percent (3%) of the amount collected.

(c) Administration. The county shall administer a tax levied under this section. A tax levied under this section is due and payable to the county finance officer in monthly installments on or before the 15th day of the month following the month in which the tax accrues.

Every person, firm, corporation, or association liable for the tax shall, on or before the 15th day of each month, prepare and render a return on a form prescribed by the county. The return shall state the total gross receipts derived in the preceding month from rentals upon which the tax is levied.

A return filed with the county finance officer under this section is not a public record as defined by G.S. 132-1 and may not be disclosed except as required by law.

(d) Penalties. A person, firm, corporation, or association who fails or refuses to file the return required by this section shall pay a penalty of ten dollars (\$10.00) for each day's omission. In case of failure or refusal to file the return or pay the tax for a period of thirty (30) days after the time required for filing the return or for paying the tax, there shall be an additional tax, as a penalty, of five percent (5%) of the tax due in addition to any other penalty, with an additional tax of five percent (5%) for each additional month or fraction thereof until the tax is paid.

Any person who willfully attempts in any manner to evade a tax imposed under this section or who willfully fails to pay the tax or make and file a return shall, in addition to all other penalties provided by law, be guilty of a misdemeanor and shall be punishable by a fine not to exceed one thousand dollars (\$1,000), imprisonment not to exceed six months, or both. The board of commissioners may, for good cause shown, compromise or forgive the penalties imposed by this subsection.

(e) Distribution and use of tax revenue. Hertford County may use the proceeds of a tax levied under this section for any lawful purpose.

(f) Effective date of levy. A tax levied under this section shall become effective on the date specified in the resolution levying the tax. That date must be the first day of a calendar month, however, and may not be earlier than the first day of the second month after the date the resolution is adopted.

(g) Repeal. A tax levied under this section may be repealed by a resolution adopted by the Hertford County Board of Commissioners. Repeal of a tax levied under this section shall become effective on the first day of a month and may not become effective until the end of the fiscal year in which the repeal resolution was adopted. Repeal of a tax levied under this section does not affect a liability for a tax that was attached before the effective date of the repeal, nor does it affect a right to a refund of a tax that accrued before the effective date of the repeal.

Sec. 2. This act is effective upon ratification.

In the General Assembly read three times and ratified this the 27th day of June, 1988.

H.B. 579

CHAPTER 980

AN ACT TO PROVIDE THAT COUNTIES MAY BY RESOLUTION DEEM THE CREATION OF A SELF-FUNDED RISK PROGRAM AS THE PURCHASE OF INSURANCE FOR THE PURPOSE OF WAIVING THE DEFENSE OF GOVERNMENTAL IMMUNITY.

The General Assembly of North Carolina enacts:

Section 1. G.S. 153A-435(a) reads as rewritten:

"(a) A county may contract to insure itself and any of its officers, agents, or employees against liability for wrongful death or negligent or intentional damage to person or property or against absolute liability for damage to person or property caused by an act or omission of the county or of any of its officers, agents, or employees when acting within the scope of their authority and the course of their employment. The board of commissioners shall determine what liabilities and what officers, agents, and employees shall be covered by any insurance purchased pursuant to this subsection.

Purchase of insurance pursuant to this subsection waives the county's governmental immunity, to the extent of insurance coverage, for any act or omission occurring in the exercise of a governmental function. Participation in a local government risk pool pursuant to Article 39 of General Statute Chapter 58 shall be deemed to be the purchase of insurance for the purposes of this section. By entering into an insurance contract with the county, an insurer waives any defense based upon the governmental immunity of the county. In the event that a county elects to use a funded reserve in lieu of purchasing insurance against liability for wrongful death or negligence or intentional damage to personal property or against absolute liability for damage to person or property caused by an act or omission of the County or any of its officers, agents, or employees when action within the scope of their authority and the course of their employment, the Board of Commissioners may adopt a resolution which deems the creation of a funded reserve to be the same as the purchase of insurance for purposes of this provision. Adoption of this resolution waives the County's governmental immunity to the extent specified in the Board's resolution, but in no event greater than funds available in the funded reserve for the payment of claims."

Sec. 2. This act applies to Mecklenburg County and Catawba Counties only.

Sec. 3. This act is effective upon ratification.

In the General Assembly read three times and ratified this the 27th day of June, 1988.

H.B. 1204

CHAPTER 981

AN ACT TO GIVE WATER AND SEWER AUTHORITIES THE SAME POWER AS CITIES AND COUNTIES TO PURCHASE PROPERTY SUBJECT TO A PURCHASE MONEY SECURITY INTEREST.

The General Assembly of North Carolina enacts:

Section 1. G.S. 160A-20 reads as rewritten:

"§ 160A-20. *Purchase money security interests.* ~~Cities and counties are authorized to~~ Cities, counties, and water and sewer authorities created under Article 1 of Chapter 162A of the General Statutes may purchase real or personal property by installment contracts which create in the property purchased a security interest to secure payment of the purchase money. A contract entered into under this section is subject to the applicable provisions of Article 8 of Chapter 159 of the General Statutes. No deficiency judgment may be rendered against any ~~city or county~~ city, county, or water and sewer authority created under Article 1 of Chapter 162A of the General Statutes in any action for breach of a contractual obligation authorized by this section, and the taxing power of a city or county is not and may not be pledged directly or indirectly to secure any moneys due to the seller. Any contract made or entered into by a city or county before June 1, 1979, which would have been valid hereunder is hereby validated, ratified and confirmed."

Sec. 2. G.S. 162A-6 is amended by adding a new subdivision to read:

"(16) To purchase real or personal property as provided by G.S. 160A-20, in addition to any other method allowed under this Article."

Sec. 3. This act is effective upon ratification.

In the General Assembly read three times and ratified this the 27th day of June, 1988.

H.B. 2168

CHAPTER 982

AN ACT TO CLARIFY THAT THE WASHINGTON CITY BOARD OF EDUCATION FILLS ITS OWN VACANCIES.

The General Assembly of North Carolina enacts:

Section 1. Chapter 409, Private Laws of 1899, as amended by Section 1 of Chapter 212, Session Laws of 1983, is amended by adding the following new section:

"Sec. 6.5. Vacancies on the Washington City Board of Education shall be filled by appointment made by the remaining members of the board of education of a qualified voter of the Washington City School Administrative Unit. The person shall be appointed for the remainder of the unexpired term. Such appointment does not require the approval of any other body."

Sec. 2. Section 2 of Chapter 212, Session Laws of 1983 is repealed, it having been a section effective upon approval by the voters, and was rejected.

Sec. 3. This act is effective upon ratification.

In the General Assembly read three times and ratified this the 27th day of June, 1988.

H.B. 2187

CHAPTER 983

AN ACT TO REVISE AND CONSOLIDATE THE CHARTER OF THE TOWN OF CLAYTON.

The General Assembly of North Carolina enacts:

Section 1. The Charter of the Town of Clayton is revised and consolidated to read:

"THE CHARTER OF THE TOWN OF CLAYTON
"ARTICLE I. INCORPORATION, CORPORATE POWERS
AND BOUNDARIES

"Section 1.1. *Incorporation.* The Town of Clayton, North Carolina, in Johnston County and the inhabitants thereof shall continue to be a municipal body politic and corporate, under the name of the 'Town of Clayton', hereinafter at times referred to as the 'Town'.

"Sec. 1.2. *Powers.* The Town shall have and may exercise all of the powers, duties, rights, privileges and immunities conferred upon the Town of Clayton specifically by this Charter or upon municipal corporations by general law. The term 'general law' is employed herein as defined in G.S. 160A-1.

"Sec. 1.3. *Corporate Limits.* The corporate limits are those existing at the time of ratification of this Charter, as set forth on the official map of the Town and as they may be altered from time to time in accordance with law. An official map of the Town showing the current boundaries shall be maintained permanently in the office of the Town Clerk and shall be available for public inspection. Immediately upon alteration of the corporate limits made pursuant to

law, the appropriate changes to the official map shall be made and copies shall be filed in the office of the Secretary of State, the Johnston County Register of Deeds and the appropriate board of elections.

"ARTICLE II. GOVERNING BODY

"Sec. 2.1. *Mayor and Council.* The Mayor and Town Council, hereinafter referred to as the 'Council', shall be the governing body of the Town.

"Sec. 2.2. *Council; Composition; Terms of Office.* The Council shall be composed of five members elected by all the qualified voters of the Town for staggered terms of four years.

"Sec. 2.3. *Mayor; Term of Office; Duties.* The Mayor is elected by all the qualified voters of the Town for a term of two years; is the official head of the Town government and presides at meetings of the Council; shall have the right to vote only when there is an equal division on any question or matter before the Council; and shall exercise the powers and duties conferred by law or as directed by the Council.

"Sec. 2.4. *Mayor Pro Tempore.* The Council shall elect one of its members as Mayor Pro Tempore to perform the duties of the Mayor during his or her absence or disability, in accordance with general law. The Mayor Pro Tempore shall serve in such capacity at the pleasure of the other members of the Council.

"Sec. 2.5. *Meetings.* In accordance with general law, the Council shall establish a suitable time and place for its regular meetings. Special and emergency meetings may be held as provided by general law.

"Sec. 2.6. *Voting Requirements; Quorum.* Official actions of the Council and all votes shall be taken in accordance with applicable provisions of general law, particularly G.S. 160A-75. The quorum provisions of G.S. 160A-74 shall apply.

"Sec. 2.7. *Compensation; Qualifications for Office; Vacancies.* The compensation and qualifications of the Mayor and Council members shall be in accordance with general law. Vacancies that occur in any elective office of the Town shall be filled by appointment as provided in G.S. 160A-63.

"ARTICLE III. ELECTIONS

"Sec. 3.1. *Regular Municipal Elections.* Regular municipal elections shall be held in each odd-numbered year in accordance with the uniform municipal election laws of North Carolina. Elections are conducted on a nonpartisan basis and the results determined using the nonpartisan plurality method as provided in G.S. 163-292.

"Sec. 3.2. *Election of Council Members.* The Council members serving on the date of ratification of this Charter shall serve until the

expiration of their term or until their successors are elected and qualified. In the regular municipal election in 1989, and every four years thereafter, there shall be elected three Council members to serve as provided in Article II of this Charter. In the regular municipal election in 1991, and every four years thereafter, there shall be elected two Council members to serve as provided in Article II.

"Sec. 3.3. *Election of Mayor.* A Mayor shall be elected in each regular municipal election.

"Sec. 3.4. *Special Elections and Referendums.* Special elections and referendums may be held only as provided by general law or applicable local acts of the General Assembly.

"ARTICLE IV. ORGANIZATION AND ADMINISTRATION

"Sec. 4.1. *Form of Government.* The Town shall operate under the council-manager form of government, in accordance with G.S. Chapter 160A, Article 7, Part 2.

"Sec. 4.2. *Town Manager.* The Council shall appoint a Town Manager who is responsible for the administration of all departments of the Town government. The Town Manager shall have all the powers and duties conferred by general law, except as expressly limited by the provisions of this Charter.

"Sec. 4.3. *Town Clerk.* The Council shall appoint a Town Clerk to keep a journal of the proceedings of the Council; to maintain official records and documents; to give notice of meetings; and to perform such other duties required by law or as the Council may direct.

"Sec. 4.4. *Tax Collector.* The Council shall appoint a Tax Collector, who may be the Johnston County Tax Collector, to collect all taxes owed to the Town, subject to general law, this Charter and Town ordinances.

"Sec. 4.5. *Town Finance Officer.* The Town Manager shall appoint a Finance Officer to perform the duties required by law or as the Council may direct, or the Council may at its election confer the duties of Finance Officer on the Town Manager as Budget Officer. The Finance Officer may be entitled 'Accountant,' 'Treasurer,' 'Finance Director,' 'Finance Officer' or any other reasonably descriptive title.

"Sec. 4.6. *Town Attorney.* The Council shall appoint a Town Attorney licensed to practice law in North Carolina. It shall be the duty of the Town Attorney to represent the Town, advise Town officials and perform other duties required by law or as the Council may direct.

"Sec. 4.7. *Other Administrative Officers and Employees.* The Council may authorize additional offices and positions, to be filled by appointment of the Town Manager. The Council may organize the Town government as deemed appropriate, including combining any of

the offices provided for in this Article, subject to the requirements of general law.

"ARTICLE V. SPECIAL ASSESSMENT PROVISIONS

"Sec. 5.1. Assessment for Street Improvements; Petition Unnecessary.

(a) In addition to any authority granted by general law, the Council is hereby authorized to order street improvements and to assess the costs thereof against abutting property in accordance with the provisions of this Article.

(b) The Council may order street improvements and assess the total costs thereof against abutting property, exclusive of the costs incurred at street intersections, according to one or more of the assessment bases set forth in Article 10 of G.S. Chapter 160A without the necessity of a petition, upon the following findings of fact:

- (1) That the street improvement project does not exceed 1,200 linear feet; and
- (2) That such street or part thereof is unsafe for vehicular traffic or creates a safety or health hazard and it is in the public interest to make such improvements; or
- (3) That it is in the public interest to connect two streets or portions of a street already improved; or
- (4) That it is in the public interest to widen a street, or part thereof, which is already improved; provided that assessments for widening any street or portion of a street without a petition shall be limited to the cost of widening and otherwise improving such street in accordance with the street classification and improvement standards established by the Town's thoroughfare or major street plan, as applied to the particular street or part thereof.

(c) For the purposes of this Article, the term 'street improvement' includes grading, regrading, surfacing, resurfacing, widening, paving, repaving, acquisition of right-of-way and construction or reconstruction of curbs, gutters and street drainage facilities.

"Sec. 5.2. Assessments for Sidewalk Improvement; Petition Unnecessary. In addition to any authority granted by general law, the Council is hereby authorized, without the necessity of petition, to order sidewalk improvements or repairs according to standards and specifications of the Town, and to assess the total costs thereof against abutting property, according to one or more of the assessment bases set forth in Article 10 of G.S. Chapter 160A; provided that regardless of the assessment basis or bases employed, the Council may order the costs of sidewalk improvements made only on one side of a street to be assessed against property abutting both sides of such street.

"Sec. 5.3. Procedure; Effect of Assessments. In ordering street

and sidewalk improvements without a petition and assessing the costs thereof under authority of this Article, the Council shall comply with the procedures required by Article 10 of G.S. Chapter 160A, except those provisions relating to petitions of property owners and sufficiency thereof. The effect of the act of levying assessments under authority of this Article shall be the same as if assessments were levied under authority of Article 10 of G.S. Chapter 160A."

Sec. 2. The purpose of this act is to revise the Charter of the Town of Clayton and to consolidate certain acts concerning the property, affairs and government of the Town. It is intended to continue without interruption those provisions of prior acts which are expressly consolidated into this act, so that all rights and liabilities which have accrued are preserved and may be enforced.

Sec. 3. This act does not repeal or affect any acts concerning the property, affairs or government of public schools, or acts validating official actions, proceedings, contracts or obligations of any kind.

Sec. 4. All local acts in conflict with this act are repealed. The following acts having served the purposes for which they were enacted or having been consolidated into this act, are expressly repealed:

Chapter 262, Private Laws of 1899

Chapter 159, Private Laws of 1911

Chapter 19, Private Laws Extra Session of 1913

Chapters 37, Private Laws of 1915

Chapter 69, Private Laws of 1919

Chapter 378, Public-Local Laws of 1937

Chapter 391, Public-Local Laws of 1941

Chapter 872, Session Laws of 1949

Chapter 873, Session Laws of 1949

Chapter 653, Session Laws of 1951

Chapter 676, Session Laws of 1955

Chapter 428, Session Laws of 1955

Chapter 397, Session Laws of 1955

Chapter 376, Session Laws of 1963

Chapter 257, Session Laws of 1969, as to Clayton only

Chapter 516, Session Laws of 1973.

Sec. 5. The Mayor and council members serving on the date of ratification of this act shall serve until the expiration of their term. Thereafter, those offices shall be filled as provided in Articles II and III of the Charter contained in Section 1 of this act.

Sec. 6. This act does not affect any rights or interests which arose under any provisions repealed by this act.

Sec. 7. All existing ordinances, resolutions and other provisions of the Town of Clayton not inconsistent with the provisions of this act

shall continue in effect until repealed or amended.

Sec. 8. No action or proceeding pending on the effective date of this act by or against the Town or any of its departments or agencies shall be abated or otherwise affected by this act.

Sec. 9. If any provision or application of this act is held invalid, such invalidity shall not affect other provisions or applications of this act which can be given effect without the invalid provision or application, and to this end the provisions of this act are declared to be severable.

Sec. 10. Whenever a reference is made in this act to the particular provision of the General Statutes, and such provision is later amended, superseded or recodified, the reference shall be deemed amended to refer to the amended General Statute, or to the General Statute which most clearly corresponds to the statutory provision which is superseded or recodified.

Sec. 11. This act is effective upon ratification.

In the General Assembly read three times and ratified this the 27th day of June, 1988.

H.B. 2211

CHAPTER 984

AN ACT TO VALIDATE THE ACTIONS OF THE BRUNSWICK UTILITY OPERATIONS BOARD CONCERNING CERTAIN ASSESSMENTS, AND TO ALLOW CONTINUED DELEGATION OF CERTAIN ASSESSMENT FUNCTIONS.

The General Assembly of North Carolina enacts:

Section 1. Brunswick County may delegate to an agent to act in its stead any authority it might have under G.S. 153A-191, G.S. 153A-192, G.S. 153A-193, G.S. 153A-194, G.S. 153A-195, G.S. 153A-196, and G.S. 153A-199.

Sec. 2. Any delegation of authority made on or after January 1, 1987, which would have been lawful under Section 1 of this act, is validated, and any actions taken under such delegation are validated and confirmed as to the lack of authority.

Sec. 3. This act is effective upon ratification.

In the General Assembly read three times and ratified this the 27th day of June, 1988.

H.B. 2234

CHAPTER 985

AN ACT TO INCREASE THE SUPPLEMENTAL RETIREMENT AVAILABLE UNDER THE SHELBY LOCAL FIREMEN'S RELIEF FUND.

The General Assembly of North Carolina enacts:

Section 1. Section 2 of Chapter 209 of the 1985 Session Laws reads as rewritten:

"Sec. 2. Supplemental Retirement Benefits. (a) Each retired full-time member of the City of Shelby Fire Department who retires with 20 years service or more as a member of the City of Shelby Fire Department and who retired subsequent to attaining the age of 55 years, shall be entitled to and shall receive an annual supplemental retirement benefit equal to one share for each full year of service as a member of the City of Shelby Fire Department; provided, in no event shall any retired member of the City of Shelby Fire Department be entitled to or receive in any year an annual benefit in excess of ~~twelve hundred dollars (\$1,200)~~ eighteen hundred dollars (\$1,800).

(b) Each retired member of the City of Shelby Fire Department Volunteers who retires with 20 years service or more as a member of the City of Shelby Fire Department Volunteers, and who retired subsequent to attaining the age of 55 years, shall be entitled to and shall receive an annual benefit equal to one quarter of one share for each full year of service as a member of the City of Shelby Fire Department Volunteers; provided, in no event shall any retired member of the City of Shelby Fire Department Volunteers be entitled to or receive in any year an annual benefit in excess of ~~four hundred dollars (\$400.00)~~ six hundred dollars (\$600.00).

(c) Any former member of the City of Shelby Fire Department who is not otherwise entitled to supplemental retirement benefits under this section, shall nevertheless be entitled to such benefits in any calendar year in which the Board of Trustees makes the following written findings of fact:

- (1) That they initially retired from their position as a member of the City of Shelby Fire Department because of their inability, by reason of sickness or injury, to perform the normal duties of an active member of the City of Shelby Fire Department; and
- (2) That, within 30 days prior to or following their initial retirement as a member of the City of Shelby Fire Department at least two physicians licensed to practice medicine in North Carolina certified that they were at such time unable, by reason of sickness or injury, to perform the normal duties of an active member of the City of Shelby Fire Department; and
- (3) That, at the time of their initial retirement as a member of the City of Shelby Fire Department, there was not available to them in the fire department or in any other department of the City a position of employment with normal duties that

they were capable of performing; and

- (4) That, since the preceding January 1, at least two physicians licensed to practice medicine in North Carolina have certified that they remain unable, by reason of sickness or injury, to perform the normal duties of an active member of the City of Shelby Fire Department; and
- (5) That there is not available to them in the fire department or in any other department of the City a position of employment with normal duties after initially making the findings of fact specified in subdivisions (1), (2), and (3) of this subsection.

The Board of Trustees need not specify these findings in subsequent calendar years."

Sec. 2. Nothing in this act creates a liability for the Shelby Local Firemen's Relief Fund unless there are sufficient current assets in the Fund to pay fully for the liability.

Sec. 3. This act is effective upon ratification.

In the General Assembly read three times and ratified this the 27th day of June, 1988.

H.B. 2258

CHAPTER 986

AN ACT TO ALLOW THE TOWNS OF KILL DEVIL HILLS, KITTY HAWK, MANTEO, NAGS HEAD, AND SOUTHERN SHORES TO IMPOSE FACILITY FEES.

The General Assembly of North Carolina enacts:

Section 1. Section 2(1) of Chapter 536, Session Laws of 1985, reads as rewritten:

"(1) 'Capital costs' means costs spent for developing community service facilities; such costs are limited to Capital Outlay items listed in the 'Uniform Local Government Accounting Systems' procedural manual prepared by the North Carolina Local Government Commission. Capital costs include payment of the principal and interest on any debt or other financial obligation incurred by the town with respect to a purpose authorized by subdivision (2) of this section."

Sec. 2. This act is effective upon ratification.

In the General Assembly read three times and ratified this the 27th day of June, 1988.

H.B. 2259

CHAPTER 987

AN ACT TO ALLOW THE TOWNS OF KILL DEVIL HILLS, KITTY HAWK, MANTEO, NAGS HEAD, AND SOUTHERN SHORES TO IMPOSE FACILITY FEES.

The General Assembly of North Carolina enacts:

Section 1. Section 2(2) of Chapter 536, Session Laws of 1985, as amended by Chapter 258, Session Laws of 1987, is amended by deleting "and fire department capital improvements", and substituting "fire department capital improvements, and municipal administration building projects".

Sec. 2. This act is effective upon ratification.

In the General Assembly read three times and ratified this the 27th day of June, 1988.

H.B. 2260

CHAPTER 988

AN ACT TO ALLOW THE TOWNS OF KILL DEVIL HILLS, KITTY HAWK, MANTEO, NAGS HEAD, AND SOUTHERN SHORES TO IMPOSE FACILITY FEES.

The General Assembly of North Carolina enacts:

Section 1. Section 4(e) of Chapter 536, Session Laws of 1985, reads as rewritten:

"(e) Monies for each particular facility for which a facility fee is collected shall be placed in a separate trust fund. All such revenues shall be spent for the capital facilities for which they were collected, and such benefits shall not be exclusive. Separate service areas and zones with separate trust funds may be established to satisfy this requirement. Facility fees shall be spent for those community service facilities the town alone provides within six years after ten years or a reasonable period thereafter of collection of the fees, and shall be spent for those community service facilities the town provides in conjunction with other units of government within 10 years or a reasonable period thereafter of collection of the fees."

Sec. 2. This act is effective upon ratification.

In the General Assembly read three times and ratified this the 27th day of June, 1988.

H.B. 2274

CHAPTER 989

AN ACT REDEFINING THE CITY LIMITS OF THE CITY OF WILSON.

The General Assembly of North Carolina enacts:

Section 1. Effective June 30, 1989, the corporate limits of the City of Wilson are hereby redefined to be as follows:

(1) Beginning at a point at the intersection of the run of the centerline of Toisnot Swamp with the northerly right of way of N. C. Highway 42 (Herring Avenue), said point being located S 87°16'54"E 3398.24' from a N.C.G.S. monument entitled "Seafare" having coordinates of X=724,075.38 Y=2,325,919.32; thence running from said point of beginning and along the northerly right of way of N.C. Highway 42 (Herring Avenue) N 53°12'43"E 149.63', N 56°25'34"E 117.58', N 62°51'14"E 117.58', N 66°04'04"E 8.00', S 23°55'56"E 15.00' and N 66°04'04"E 348.62' to a point, cornering thence N 24°07'40"W 157.94' and N 65°52'20"E 248.83' to the westerly right of way of London Church Road (S.R. 1337), cornering; thence running with the westerly right of way of London Church Road (S.R. 1337) N 13°10'19"W 138.61', N 16°04'24"W 99.21' N 17°39'36"W 99.19', N 18°08'27"W 160.23', N 18°30'15"W 99.54' and N 19°08'48"W 99.44' to a point, cornering thence running across London Church Road (S.R. 1337) and with the property of the Wilson Housing Authority N 49°26'37"E 1274.61', N 52°42'44"E 295.13' and S 74°00'02"E 295.13' to the westerly right of way of Firestone Parkway (S.R. 1328), cornering thence running along the westerly right of way of Firestone Parkway (S.R. 1328) S 20°33'45"W 723.20' to a point, cornering thence S 70°44'03"E 370.38', S 20°49'57"W 175.00', S 34°48'09"E 201.18' and S 00°00'50"E 322.73' to the northerly right of way of N.C. Highway 42 (Herring Avenue), cornering thence running with the northerly right of way of N. C. Highway 42 (Herring Avenue) S 88°20'37"E 378.90' to a point, cornering thence running across N. C. Highway 42 (Herring Avenue) and along the property of the City of Wilson S 20°26'28"W 511.91', S 69°33'32"E 165.00', S 20°26'28"W 215.00', N 68°42'32"W 215.91' and S 20°14'03"W 1164.62' to the westerly right of way of U.S. Highway 301, cornering thence running along the westerly right of way of U. S. Highway 301 S 46°54'49"W 362.39', S 46°54'49"W 1241.57', S 42°59'40"W 100.00', S 42°18'59"W 115.90', S 40°48'03"W 100.00', S 39°26'58"W 100.00', S 37°50'43"W 100.00', S 36°27'56"W 100.00', S 34°56'48"W 100.00', S 33°35'51"W 100.00', S 32°28'48"W 100.00', S 30°19'33"W 100.00', S 28°51'17"W 100.00', S 27°39'08"W 100.00', S 26°25'18"W 100.00', S 25°57'36"W 100.00', S 25°43'18"W 100.00', S 25°40'59"W 100.00', S 25°24'21"W 898.02' and S 25°24'21"W 47.01' to a point, cornering thence running across U.S. Highway 301 and along the easterly right

of way of Lipscomb Road (S.R. 1515) S 47°11'53"E 209.59', S 51°50'10"E 16.68', S 51°50'10"E 100.00', S 47°14'25"E 100.00', S 43°15'44"E 100.00', S 42°24'09"E 493.53', S 43°02'40"E 1403.03', S 42°48'47"E 99.94', S 42°45'04"E 99.86', and S 42°40'49"E 99.96' to the property line of Glenwood Hills, cornering thence with the property line of Glenwood Hills N 67°06'21"E 2656.94' and S 23°50'33"E 817.83' to the property line of the City of Wilson, cornering thence with the property line of the City of Wilson N 67°23'35"E 371.27', S 26°09'19"E 210.93' and S 63°50'40"W 380.01' to the property line of Glenwood Hills, cornering thence with the property line of Glenwood Hills S 66°10'37"W 456.16', S 05°57'23"E 628.20' and S 42°11'07"W 1445.61' to a point, cornering thence S 42°50'55"W 578.57' to a point located 200' east of the easterly right of way of U.S. Highway 264, cornering thence running along a line located 200' east of the easterly right of way of U.S. Highway 264, S 46°11'38"E 146.66', S 44°45'15"E 102.25', S 43°36'37"E 105.17', S 42°08'51"E 102.89', S 40°53'57"E 104.93' and S 40°06'59"E 1298.63' to the property line of Imperial Estates, cornering thence running with the property line of Imperial Estates N 56°01'09"E 1304.66, S 33°58'51"E 658.13', S 66°25'09"W 43.60', N 87°29'51"W 116.20', N 86°32'51"W 50.74', S 44°17'09"W 143.60', S 45°37'09"W 160.28', S 66°53'09"W 41.75', S 72°08'09"W 118.10', S 74°08'09"W 103.57', S 72°48'09"W 45.54', S 54°48'09"W 37.00', S 41°24'09"W 146.50', S 41°01'09"W 135.00', S 48°37'09"W 56.41' and S 49°23'09"W 303.79' to the easterly right of way of U.S. Highway 264, cornering thence crossing U.S. Highway 264 S 50°01'20"W 217.87' to the westerly right of way of U.S. Highway 264, cornering thence with the westerly right of way of U.S. Highway 264 N 40°02'21"W 108.76' to the property line of Bel-Air Forest, cornering thence running with the property line of Bel-Air Forest S 48°57'16"W 1804.00' and S 54°56'16"W 1713.36' to a point, cornering thence S 08°14'21"E 429.79', S 24°55'21"E 367.20', S 19°35'39"W 567.00' and S 64°50'34"W 959.56' to a point in the easterly right of way of Stantonsburg Road (S.R. 1602), cornering thence running with the easterly right of way of Stantonsburg Road (S.R. 1602) S 25°10'01"E 912.39' and S 24°44'33"E 1300.29' to a point cornering thence running across Stantonsburg road (S.R. 1602) and along the southerly line of a 50' access easement to the City of Wilson Sewer Plant S 74°31'42"W 1089.76' to the centerline of the Norfolk-Southern Railroad, cornering thence running with the centerline of the Norfolk-Southern Railroad N 37°12'44"W 3408.33' to a point located 230' southeast of the centerline of Charleston Street (S.R. 1607), cornering thence

continuing in a line located 230' southeast of the centerline of Charleston Street (S.R. 1607) S 47°27'14"W 585.96', S 48°39'16"W 115.39', S 54°10'37"W 127.13', S 61°55'38"W 126.85', S 67°25'06"W 120.04', S 72°29'18"W 133.17', S 78°09'10"W 111.59' and S 84°11'47"W 135.14' to a point in the centerline of a ditch, cornering thence running with said ditch centerline S 43°27'06"W 57.18', S 37°17'55"W 137.39', S 13°33'15"W 135.97', S 20°04'17"W 214.07', S 18°22'36"W 140.23', S 21°36'21"W 156.38', S 15°11'34"W 78.48', S 23°50'43"W 158.51' and S 22°05'26"W 88.11' to the centerline of Hominy Swamp, cornering thence running with the centerline of Hominy Swamp N 63°12'07"W 233.42', N 72°11'04"W 338.92' and N 42°53'53"W 85.82' to a point located 230' east of the centerline of Old Black Creek Road, cornering thence running with a line located 230' east of the centerline of Old Black Creek Road S 01°13'18"W 403.87', S 02°14'03"W 890.75' and S 02°17'10"W 573.15" to a point, cornering thence N 87°42'50"W 180.00' to the easterly right of way of Old Black Creek Road, cornering thence running along the easterly right of way of Old Black Creek Road S 02°21'07"W 280.81', S 03°26'25"W 101.63' S 06°05'03"W 102.58', S 09°25'46"W 102.58', S 12°10'54"W 102.48', S 15°00'00"W 102.33', S 17°34'33"W 101.55', S 18°07'22"W 325.78', S 17°16'09"W 99.36', S 14°45'20"W 96.49', S 11°54'02"W 97.46', S 09°02'23"W 97.53', S 06°00'45"W 97.06', S 02°44'20"W 98.03', S 00°14'35"E 97.39', S 03°05'18"E 97.79' and S 04°01'45"E 530.56' to a point, cornering thence running N 70°53'40"W 936.72', S 88°43'07"W 600.00' and N 01°16'53"W 566.50' to a point in the centerline of Commerce Road (S.R. 1692)); cornering thence leaving the centerline of Commerce Road (S.R. 1692) and running S 84°46'09"W 781.50', N 00°08'09"E 1631.36' and N 89°08'29"W 1578.33' to a point located 230' west of the centerline of Contentnea Road (S.R. 1611), cornering; thence running with a line located 230' west of the centerline of Contentnea Road (S.R. 1611) N 00°15'31"W 2048.18', to a point located 230' southwest of the centerline of Wilco Boulevard (S.R. 1608), cornering thence running with a line located 230' southwest of the centerline of Wilco Boulevard (S.R. 1608) N 73°41'48"W 136.29', N 69°23'20"W 123.85', N 62°01'56"W 125.98', N 56°39'12"W 117.38', N 53°15'25"W 114.85', N 49°04'45"W 121.41', N 42°35'32"W 127.34, N 35°43'50"W 120.34', N 32°34'16"W 107.96', N 31°35'26"W 104.65', N 30°54'50"W 370.66' and N 31°06'13"W 1887.16' to a point, cornering thence S 56°22'36"W 183.74' and S 28°07'50"W 296.68', to the Wilson County Fairgrounds, cornering thence with the Wilson County Fairgrounds N

36°50'31"W 751.38', S 46°38'47"W 112.36', N 63°28'54"W 334.84', and N 38°05'33"W 143.32' to the southerly right of way of U.S. Highway 301, thence crossing U.S. Highway 301 N 36°59'05"W 150.80', to a point in the northerly right of way of U.S. Highway 301, thence N 36°32'51"W 788.42', N 49°02'15"E 287.76' and S 36°32'51"E 144.97' to the center of ditch, cornering thence running with the said ditch centerline S 78°08'23"E 325.60', N 80°03'37"E 110.72', N 67°41'37"E 117.01', N 30°18'37"E 50.93', N 12°26'37"E 175.87', N 31°25'37"E 424.97', N 12°34'23"W 260.66', N 07°14'23"W 255.24', N 11°49'37"E 414.09', N 38°26'37"E 213.78', and N 09°50'37"E 286.38' to a point located 500' southwest of the southerly right of way of Ward Boulevard, cornering thence running with a line located 500' southwest of the southerly right of way of Ward Boulevard N 70°39'23"W 475.00', N 54°46'38"W 867.87' and N 37°28'18"W 141.49' to a point, cornering thence S 57°19'54"W 1981.69' to a point on the northerly right of way of Cameron Road, thence continuing S 57°19'54"W 1140.95' to the southerly property corner of Deanswood Apartments, cornering thence with the property line of Deanswood Apartments N 19°49'50"W 1410.81' to a point located 200' south of the southerly right of way of Downing Street Extension (S.R. 1163), cornering thence running with a line located 200' south of the southerly right of way of Downing Street Extension S 70°05'54"W 1217.44', S 69°49'26"W 891.42' and S 70°05'39"W 45.87' to a point, cornering thence S 18°33'39"E 100.00' and S 71°26'21"W 470.00' to the easterly right of way of Forest Hills Road (S.R. 1165), cornering thence with the easterly right of way of Forest Hills Road (S.R. 1165) S 18°33'39"E 759.87', cornering; thence crossing Forest Hills Road (S.R. 1165) and running S 45°37'10"W 1262.28' and N 19°12'14"W 1234.11' to the southerly right of way of Downing Street Extension (S.R. 1163), cornering; thence running with the southerly right of way of Downing Street Extension (S.R. 1163) S 53°16'13"W 174.24', S 52°56'12"W 1115.82', S 53°11'41"W 100.32', S 54°15'02"W 100.88', S 56°27'46"W 101.94', S 61°18'58"W 102.30', S 64°37'29"W 101.20', S 65°53'44"W 100.71' and S 66°34'33"W 1751.32', to a point in the centerline of the run of Contentnea Creek, cornering; thence with the centerline of the run of Contentnea Creek N 27°32'59"W 316.08', N 05°10'48"W 100.00', N 06°20'04"E 100.00', N 11°00'00"E 100.00 and N 21°00'00"E 100.00' to a point, cornering; thence N 60°12'04"E 3897.52', N 05°56'44"W 714.01', N 84°03'16"E 300.00', N 05°56'44"W 232.88', N 42°18'20"W 1065.10', N 39°47'12"E 823.34', S 88°44'51"E 306.29', S 00°47'31"W 208.00' and N 89°29'25"E 200.00' to the westerly right of way of

Forest Hills Road (S.R. 1165), cornering thence running with the westerly right of way of Forest Hills Road (S.R. 1165) N 01°16'25"E 1058.83' and N 01°25'13"E 1073.17' to the centerline of N.C. Highway 42 (Tarboro Street) cornering thence with the centerline of N.C. Highway 42 (Tarboro Street) N 88°34'47"W 10.00' to a point, cornering; thence crossing N.C. Highway 42 (Tarboro Street) and running along the westerly right of way of Forest Hills Road (S.R. 1165) N 00°36'48"W 930.37' to a point, cornering; thence S 89°28'10"W 581.00', N 00°31'50"W 150.00', and N 89°28'10"E 581.00' to the westerly right of way of Forest Hills Road (S.R. 1165), cornering; thence with the westerly right of way of Forest Hills Road (S.R. 1165) N 00°26'37"W 927.35' to a point in the property line of Westwood Subdivision Section V, cornering; thence with the property line of Westwood Subdivision Section V N 88°50'58"W 142.68', N 03°04'54"W 1031.47' and N 87°23'02"E 188.92' to the westerly right of way of Forest Hills Road (S.R. 1165). thence crossing Forest Hills Road (S.R. 1165) and continuing with Westwood Subdivision Section V N 87°23'02"E 1925.52', N 06°51'51"W 162.09', N 00°52'06"W 804.42' to the northern right of way of Westwood Drive and N 00°52'06"W 602.79' to Westwood Subdivision Section III, thence with Westwood Subdivision Section III S 89°50'54"W 8.67' and N 00°04'37"W 636.56' to the southerly right of way of U.S. Highway 264, cornering; thence running along the southerly right of way of U.S. Highway 264 N 77°31'50"W 80.97', N 73°53'34"W 101.78', N 70°27'45"W 101.10' N 67°11'01"W 101.13', N 64°26'47"W 100.66', N 64°00'24"W 1708.20', N 64°12'39"W 1174.06', N 63°54'20"W 689.59', N 62°51'55"W 99.36', N 59°56'47"W 203.05', N 55°57'08"W 203.52', N 51°55'14"W 203.54', N 47°57'06"W 203.51', N 43°58'43"W 203.55' and N 41°56'32"W 1766.26' to a point, cornering; thence crossing U.S. Highway 264 and running along the westerly right of way of Airport Road (S.R. 1321) N 27°15'27"E 224.66', N 26°54'39"E 3376.35', N 26°44'16"E 1118.08', N 26°44'37"E 102.42', N 25°38'34"E 109.96', N 23°57'57"E 100.17', N 20°22'03"E 103.11', N 13°28'23"E 196.00' and N 05°40'58"E 48.42' to a point, cornering; thence N 56°18'32"W 1544.94' to a point in the property line of the City of Wilson Municipal Airport, cornering; thence with the property line of the City of Wilson Municipal Airport S 37°23'28"W 961.39', N 16°41'32"W 151.40', N 68°46'32"W 165.00', N 64°46'32"W 527.00', N 78°36'32"W 404.00', S 88°29'52"W 187.96', N 89°33'16"W 1782.60', N 16°23'50"W 4063.00', S 87°52'10"W 1186.06', N 01°46'31"E 886.51', N 01°02'19"E 1111.19', S 89°43'06"E 883.36', N 00°32'44"W 1310.25', S 84°25'12"E 1158.42', S 11°55'55"W 214.50', S 10°55'55"W 980.50' and S

20°41'05"E 484.30' to a point in the centerline of S.R. 1311, cornering; thence with the centerline of S.R. 1311 and property line of the City of Wilson Municipal Airport N 69°18'55"E 1065.00', N 75°38'55"E 622.00' and N 68°33'55"E 2522.00' to a point, cornering; thence leaving S.R. 1311 and continuing with the property line of the City of Wilson Municipal Airport S 11°21'05"E 3916.63' to a point, cornering; thence S 11°14'16"E 1435.51' to a point in the property line of Hope Park Subdivision, cornering; thence running with the property line of Hope Park Subdivision S 89°02'23"E 883.76', N 87°09'31"E 7.55' and S 44°50'44"E 1211.00' to a point in the westerly right of way of Airport Road (S.R. 1320), cornering; thence running along the westerly right of way of Airport Road (S.R. 1320) N 32°47'42"E 17.26', N 33°38'07"E 100.54', N 34°50'01"E 100.60', N 35°54'18"E 300.48', N 36°39'15"E 100.65', N 38°24'05"E 101.28', N 41° 32'43"E 101.81', N 45°18'15"E 101.57', N 47°32'46"E 100.82, N 48°25'42"E 100.08', N 48°46'15"E 1513.58', N 48°52'50"E 207.70', N 48°46'36"E 469.92' and N 48°10'05"E 10.60' to the property line of Newton Park Subdivision, cornering thence running with the property line of Newton Park Subdivision N 30°57'10"W 219.21', N 59°02'50"E 100.00' and N 30°57'10"W 67.10 to a point in the westerly right of way of Irene Drive, cornering thence continuing with the westerly right of way of Irene Drive and property line of Newton Park Subdivision N 73°11'58"W 730.04' to the P.C. of a curve having a radius of 162.56', thence running in a northerly direction along the arc of said curve 169.97' to a point, thence N 13°17'30"W 2.75' to a point in the southerly right of way of Newton Avenue, cornering thence running with the southerly right of way of Newton Avenue S 76°44'58"W 190.74' to a point, cornering thence continuing with the property line of Newton Park Subdivision N 09°08'55"W 222.34', N 13°18'55"W 446.36', N 13°58'22"W 261.85' and N 58°55'55"E 1570.92" to a point in the easterly right of way of N.C. Highway 58, cornering thence with the easterly right of way of N.C. Highway 58 S 30°58'42"E 1592.21' to a point, cornering thence crossing N.C. Highway 58 and running along the southerly right of way of Airport Road (S.R. 1320) S 46°56'18"W 109.80', S 44°10'18"W 100.35, S 40°06'34"W 69.12', S 37°59'58"W 437.93', S 37°45'53"W 190.23', S 39°25'15"W 50.01', S 40°38'49"W 33.58', S 41°38'13"W 45.42', S 43°56'21"W 50.88' and S 45°29'39"W 53.67' to a point in the property line of Summerfield, cornering thence running with the property line of Summerfield S 40°07'34"E 162.44', N 47°10'41"E 207.26', S 77°03'27"E 72.03', S 25°27'05"E 683.81', S 04°43'38"E 230.11', S 28°21'12"E 315.55', S 08°28'02"W 412.74 and S 05°54'45"W 144.09' to a

point, cornering; thence running along the property lines of Stoneybrook Subdivision, Merrimont Subdivision and Westmoreland Subdivision N 87°41'04"W 585.00', S 05°43'01"E 964.59', N 66°35'42"E 477.42', S 05°42'54"E 84.89', S 89°23'20"E 189.82', S 01°25'25"E 10.00', S 89°23'20"E 106.45', N 78°41'41"E 178.00' and N 59°24'32"E 1390.49' to a point in the easterly right of way of W. Nash Street, cornering; thence running with the easterly right of way of W. Nash Street S 32°19'49"E 105.69' to a point in the southerly property line of Evergreen Memorial Gardens, cornering; thence running with the southerly property line of Evergreen Memorial Gardens N 61°44'09"E 268.00', S 28°15'51"E 90.00', N 61°44'09"E 344.00', S 28°15'50"E 287.00', N 34°39'10"E 104.00', N 67°04'10"E 210.00', S 80°50'50"E 170.00', S 11°30'50"E 39.00', S 27°34'10"W 109.00', S 46°29'10"W 203.00' and S 60°00'50"E 112.00' to the property line of Fieldstream Farm, thence the property line of Fieldstream Farm N 62°59'10"E 302.00', N 44°29'10"E 171', N 16°27'10"E 273.60', N 43°26'50"W 76.45', N 07°48'47"E 100.01', N 45°11'09"E 97.27', N 31°36'17"E 157.83', N 51°04'21"E 242.66', N 32°09'15"E 117.90', N 38°31'41"E 213.85', N 74°30'11"E 190.33', N 70°52'24"E 268.90', N 52°36'25"E 182.19', N 40°13'24"E 83.87' and N 52°40'51"E 191.86' to a point, thence with the property line of Fieldstream Farm and Deerfield Subdivision N 75°13'52"E 163.18', N 47°20'25"E 170.27' and S 52°31'48"E 52.14' to a point, cornering; thence with Woodgreen Subdivision S 89°46'54"E 1921.61' to a point in the easterly right of way of Tilghman Road (S.R. 1323) cornering thence running with the easterly right of way of Tilghman Road (S.R. 1323) S 00°26'27"E 999.26', S 00°03'54"E 432.17', S 00°45'26"E 98.94', S 04°14'51"E 82.07', S 10°27'41"E 125.61', S 14°44'20"E 82.82', S 14°56'32"E 103.94', S 14°41'48"E 96.68', S 12°50'00"E 51.06', S 10°40'15"E 51.48', S 07°09'13"E 51.98', S 03°07'42"E 52.37', S 01°52'28"W 52.11', S 04°45'35"W 51.81', S 08°50'05"W 52.45', S 13°56'10"W 102.34', S 17°38'38"W 101.23', S 18°39'14"W 100.11', S 18°09'55"W 99.71', S 17°40'42"W 98.86', S 13°52'42"W 47.64', S 08°43'01"W 47.12', S 02°49'21"W 46.44' and S 04°51'17"E 96.11' to a point, cornering; thence running N 81°12'38"E 1957.10' to the centerline of the run at Toisnot Swamp, cornering; thence running with the centerline of Toisnot Swamp S 02°14'53"E 2906.95', S 37°46'20"E 141.93', S 58°33'39"E 556.92' S 58°10'33"E 461.00' and S 68°09'45"E 686.91' to the westerly right of way of Corbett Avenue (S.R. 1326), cornering; thence running with the westerly right of way of Corbett Avenue (S.R.1326) N 17°26'02"E 402.20' to a point, cornering thence

running across Corbett Avenue (S.R.1326) and with the property of the City of Wilson S 75°20'23"E 523.81', S 57°13'18"E 215.06', S 43°43'18"E 375.00', S 14°03'41"E 1096.66' and S 14°03'24"W 646.55' to the centerline of the run of Toisnot Swamp, cornering; thence running with the centerline of the run of Toisnot Swamp S 33°13'14"E 128.54', S 23°42'29"E 455.35', S 11°18'57"E 259.87', S 26°22'26"E 448.86', S 28°36'20"E 340.89', S 43°17'23"E 365.71', S 60°34'48"E 157.70', S 88°12'38"E 100.58', N 77°06'12"E 516.34', S 20°47'43"E 140.15', S 43°21'57"E 484.70', S 47°40'46"E 426.17', S 59°09'26"E 410.11', S 49°17'24"E 634.20' and S 49°55'33"E 625.71' to the point of beginning, containing 11,390.89 acres. Excepting the tract described as follows:

Beginning at a point in the northerly right of way of Forest Hills Road (S.R. 1322) at the southerly property line of W. G. Carr, Jr., Estate. said point being designated X=729,213.3252 Y=2,312,983.5726 on the N.C. Grid Coordinate System; thence running from said point of beginning N 00°07'09"W 548.55', S 87°09'51"W 104.84', N 89°58'09"W 65.30', N 88°39'09"W 462.90', N 88°19'09"W 106.13', N 01°40'51"E 10.00', N 88°19'09"W 11.53', N 01°33'29"E 313.43', N 13°36'27"W 463.47', N 05°35'25"W 135.12' to the P. C. of a curve having a radius of 806.982', thence in a southwesterly direction along the arc of said curve 675.01' to a point in the property line of Tanglewood Subdivision, cornering; thence with the property line of Tanglewood Subdivision N 46°58'23"W 68.71', N 76°21'41"W 32.72', N 41°01'43"W 203.90', N 60°07'12"W 45.06', N 47°22'39"W 52.72', N 54°17'53"W 159.15', N 17°02'46"W 33.24', N 59°31'26"W 36.75', N 20°35'49"W 29.71', N 48°41'55"W 65.64', N 59°34'31"W 146.45' and S 79°31'44"W 432.72' to a point, cornering thence N 02°05'45"E 125.08' and N 02°06'31"E 235.46' to the southerly property corner of Fox Run, Inc. thence running with the property line of Fox Run, Inc. N 02°06'15"E 914.30', S 87°52'30"E 75.87' and N 46°48'05"W 656.37' to the southerly right of way of Airport Road (S.R. 1320), cornering; thence running with the southerly right of way of Airport Road (S.R. 1320) N 45°28'12"E 100.50', N 44°44'10"E 103.64', N 44°22'48"E 105.74', N 43°49'47"E 101.14', N 42°49'15"E 104.64', N 40°18'48"E 106.02' and N 37°17'53"E 106.25' to a point, cornering; thence crossing Airport Road (S.R. 1320) and running N 59°32'25"W 742.36', N 33°11'29"E 464.59', S 57°51'45"E 521.85', N 34°11'26"E 20.02' and S 51°49'47"E 160.20' to a point in the northerly right of way of Airport Road (S.R. 1320), cornering; thence running with the northerly right of way of Airport Road (S.R.

1320) N 33°17'39"E 20.90' to a point, cornering; thence crossing Airport Road (S.R. 1320) and running along the Property lines of The Pines and Stoneybrook Farms Subdivision S 50°01'38"E 1269.06', S 05°04'16"E 640.15' and S 88°03'45"E 699.36' to the property line of Merrimont Subdivision, cornering; thence running with the property line of Merrimont Subdivision S 13°46'44"E 845.31' and N 87°01'06"E 908.65' to a point, cornering; thence N 12°38'13"W 247.09' and N 85°18'30"E 628.22' to the centerline of the run of Hominy Swamp Canal, cornering; thence running with the centerline of the run of Hominy Swamp Canal S 28°52'13"E 90.74', S 49°42'26"E 63.50', S 19°46'14"E 172.98', S 04°25'52"E 193.43', S 34°48'32"E 112.98', S 11°13'52"E 83.20', S 82°46'35"E 61.07', S 37°13'48"E 63.33', S 28°25'32"W 57.65', S 27°58'31"E 127.94', S 04°39'38"W 127.13', S 30°44'10"W 59.09', S 23°38'29"E 109.88', S 58°59'47"W 73.39', S 19°57'27"W 185.28', S 83°39'55"W 22.04', S 15°00'07"W 98.68', S 28°46'20"E 44.39', S 19°36'09"W 46.70', S 28°56'26"E 71.54', S 17°24'41"W 68.11', S 27°38'36"E 76.76', S 41°48'43"E 76.84', S 35°27'22"E 238.91', S 62°58'26"E 191.42', S 30°38'06"E 225.88', S 62°13'16"E 101.60', S 31°32'37"E 112.54' and N 58°34'58"W 0.09' to the property line of Waterford Subdivision, cornering; thence running with the property line of Waterford Subdivision N 79°10'19"W 835.94', S 01°43'14"W 226.92', S 88°57'57"W 193.50' and N 05°40'51"W 347.13' to the northerly right of way of Forest Hills Road (S.R. 1322), cornering; thence running with the northerly right of way of Forest Hills Road (S.R. 1322) S 53°58'39"W 13.07', S 63°52'33"W 91.98', S 72°57'31"W 94.01', S 77°26'43"W 74.43', S 78°21'28"W 560.30', S 80°28'27"W 100.12' and S 82°15'22"W 146.26' to the beginning, containing 209.78 acres; and

(2) All satellite areas currently annexed into the city limits of the City of Wilson and all satellite areas annexed into the city limits of the City of Wilson pursuant to Chapter 160A of the General Statutes between the date of ratification of this act and the effective date of this act; and

(3) All areas annexed into the city limits of the City of Wilson pursuant to Chapter 160A of the General Statutes between the date of ratification of this act and the effective date of this act that may extend beyond the city limits of the City of Wilson as defined in subparagraph (1) above.

Sec. 2. This act shall become effective June 30, 1989.

In the General Assembly read three times and ratified this the 27th day of June, 1988.

H.B. 2339

CHAPTER 990

AN ACT TO CHANGE THE NAME OF THE GREENSBORO-HIGH POINT REGIONAL AIRPORT AUTHORITY TO THE PIEDMONT TRIAD AIRPORT AUTHORITY AND TO CHANGE THE NAME OF THE GREENSBORO/HIGH POINT/WINSTON-SALEM REGIONAL AIRPORT TO THE PIEDMONT TRIAD INTERNATIONAL AIRPORT.

The General Assembly of North Carolina enacts:

Section 1. Chapter 1078 of the 1979 Session Laws, as amended, which reenacted Chapter 98 of the Public-Local Laws of 1941 as amended by Chapter 601 of the 1943 Session Laws; Chapter 137 of the 1945 Session Laws; Chapter 1198 of the 1957 Session Laws; and Chapter 793 of the 1969 Session Laws are amended:

(a) By deleting the words "Greensboro-High Point Airport Authority" each time they appear and substituting "Piedmont Triad Airport Authority"; and

(b) By deleting the words "Greensboro/High Point/Winston-Salem Regional Airport" each time they appear and substituting "Piedmont Triad International Airport".

Sec. 2. Chapter 1273 of the 1953 Session Laws, as amended by Chapter 245 of the 1961 Session Laws, by Chapter 354 of the 1975 Session Laws, Chapter 431 of the 1983 Session Laws, and Chapter 696 of the 1987 Session Laws is amended:

(a) By deleting the words "Greensboro-High Point Airport Authority" each time they appear and substituting "Piedmont Triad Airport Authority"; and

(b) By deleting the words "Greensboro/High Point/Winston-Salem Regional Airport" each time they appear and substituting "Piedmont Triad International Airport".

Sec. 3. This act is effective upon ratification.

In the General Assembly read three times and ratified this the 27th day of June, 1988.

H.B. 2351

CHAPTER 991

AN ACT TO PERMIT THE GRANVILLE COUNTY BOARD OF EDUCATION TO CHOOSE THE BUILDING CONTRACT SYSTEM IT USES FOR THE CONSTRUCTION OF A NEW MIDDLE SCHOOL.

The General Assembly of North Carolina enacts:

Section 1. Notwithstanding any other laws or administrative

rules to the contrary, the Granville County Board of Education may plan, develop, and construct a middle school using the single prime contract system, the separate prime contract system, the construction management contract system, or the design-build contract system.

Sec. 2. This act is effective upon ratification and shall expire June 30, 1989, unless it is extended by the General Assembly.

In the General Assembly read three times and ratified this the 27th day of June, 1988.

H.B. 2360

CHAPTER 992

AN ACT TO ALLOW "SEVERELY DISTRESSED COUNTIES"
AND CITIES IN THOSE COUNTIES TO RETAIN SMALL
CITIES COMMUNITY DEVELOPMENT BLOCK GRANT
PROGRAM INCOME.

The General Assembly of North Carolina enacts:

Section 1. G.S. 153A-376 is amended by adding the following new subsection:

"(f) All program income from Economic Development Grants from the Small Cities Community Development Block Grant Program may be retained by recipient 'severely distressed counties', as designated under G.S. 105-130.40(c), for the purposes of creating local economic development revolving loan funds. Such program income derived through the use by counties of Small Cities Community Development Block Grant money includes but is not limited to: (i) payment of principal and interest on loans made by the county using Community Development Block Grant Funds; (ii) proceeds from the lease or disposition of real property acquired with Community Development Block Grant Funds; and (iii) any late fees associated with loan or lease payments in (i) and (ii) above. The local economic development revolving loan fund set up by the county shall fund only those activities eligible under Title I of the federal Housing and Community Development Act of 1974, as amended (P.L. 93-383), and shall meet at least one of the three national objectives of the Housing and Community Development Act. Any expiration of G.S. 105-130.40(c) shall not affect this subsection as to designations of severely distressed counties made prior to its expiration."

Sec. 2. G.S. 160A-456 is amended by adding the following new subsection:

"(e1) All program income from Economic Development Grants from the Small Cities Community Development Block Grant Program may be retained by recipient cities in 'severely distressed counties', as designated under G.S. 105-130.40(c), for the purposes of creating

local economic development revolving loan funds. Such program income derived through the use by cities of Small Cities Community Development Block Grant money includes but is not limited to: (i) payment of principal and interest on loans made by the county using Community Development Block Grant Funds; (ii) proceeds from the lease or disposition of real property acquired with Community Development Block Grant Funds; and (iii) any late fees associated with loan or lease payments in (i) and (ii) above. The local economic development revolving loan fund set up by the city shall fund only those activities eligible under Title I of the federal Housing and Community Development Act of 1974, as amended (P.L. 93-383), and shall meet at least one of the three national objectives of the Housing and Community Development Act. Any expiration of G.S. 105-130.40(c) shall not affect this subsection as to designations of severely distressed counties made prior to its expiration."

Sec. 3. This act is effective upon ratification.

In the General Assembly read three times and ratified this the 27th day of June, 1988.

H.B. 2365

CHAPTER 993

AN ACT TO PROVIDE FEE SETTING AUTHORITY AND TO IMPOSE TAXES AND FEES APPLICABLE TO LOW-LEVEL RADIOACTIVE WASTE AND HAZARDOUS WASTE, TO IMPLEMENT THE RECOMMENDATIONS OF THE JOINT SELECT COMMITTEE ON LOW-LEVEL RADIOACTIVE WASTE AND THE INTER-AGENCY COMMITTEE ON LOW-LEVEL RADIOACTIVE WASTE, TO MAKE RELATED CLARIFYING AND TECHNICAL AMENDMENTS, TO AUTHORIZE CERTAIN AGREEMENTS RELATING TO HAZARDOUS WASTE, TO RESTRICT THE ACTIVITIES OF THE HAZARDOUS WASTE TREATMENT COMMISSION, TO LIMIT ANNEXATION OF WASTE FACILITIES, AND TO MAKE CONFORMING CHANGES TO OTHER LAWS.

The General Assembly of North Carolina enacts:

Section 1. G.S. 104G-4(2) reads as rewritten:

"(2) The legitimate concerns of nearby residents and affected municipalities can be expressed in a public forum, negotiated and, if need be, arbitrated with the ~~applicant~~ Authority in a fair manner and reduced to a written document that is legally binding; and".

Sec. 2. G.S. 104G-5(f) reads as rewritten:

"(f) *Meetings.* -- The Authority shall meet at least quarterly or more frequently at such regular meeting time ~~as the Authority by rule may~~

~~provide~~— and at any place within the State as the Authority may provide. The Authority shall meet upon the call of its Chairman or a majority of its members. A majority of its members shall constitute a quorum for the transaction of business. ~~The members of the Authority shall be compensated for their services at the rate of one hundred fifty dollars (\$150.00) per day and shall receive travel expenses in accordance with G.S. 138-5; the members may not receive a subsistence allowance.~~ Members of the Authority who are State employees shall be reimbursed for their expenses in accordance with G.S. 138-6. Members of the Authority who are not State employees shall be reimbursed for their expenses in accordance with G.S. 138-5 except that the per diem rate as defined in G.S. 138-5(a)(1) shall be one hundred fifty dollars (\$150.00) per day of service."

Sec. 3. G.S. 104G-6(a)(2) reads as rewritten:

"(2) Shall establish, consistent with the rules of the Commission, rules specifying the criteria and procedures for characterizing and evaluating alternative locations for a low-level radioactive waste disposal facility;".

Sec. 4. G.S. 104G-6(a)(10) reads as rewritten:

"(10) Shall develop ~~proposed~~ and implement schedules of fees and other charges, including user charges, penalties, and surcharges, applicable to the use and operation of low-level radioactive waste facilities under its control, and shall supervise the enforcement of such schedules as may be authorized by the General Assembly; control;".

Sec. 5. G.S. 104G-6(a)(12) reads as rewritten:

"(12) Shall reimburse, or assure that the licensee reimburses, the various State agencies or departments for the actual administrative costs of licensing, training of inspection and enforcement personnel, inspection, and enforcement which those agencies incur as a result of the establishment, operation, and closure of low-level radioactive waste facilities pursuant to the provisions of this Chapter;".

Sec. 6. G.S. 104G-6(a)(20) reads as rewritten:

"(20) May adopt bylaws for the regulation of its affairs and the conduct of its business and to prescribe rules, regulations and policies in connection with the performance of its functions and duties;".

Sec. 7. G.S. 104G-6(b) reads as rewritten:

"(b) Neither the Authority nor any contractor performing services on behalf of the Authority shall be subject to the following provisions of the General Statutes:

(1) Article 3 of Chapter 143 (Purchases and Contracts);

(1a) Article 3C of Chapter 143 (Contracts to Obtain Consultant Services);

(1b) Article 3D of Chapter 143 (Procurement of Architectural and Engineering Services);

- (1c) Article 8 of Chapter 143 (Public Contracts);
- (2) Article 8B of Chapter 143 (State Building Commission);
- (3) ~~G.S. 143-128 (Separate specifications for building contracts);~~
- (4) G.S. 143-341 (Powers and duties of the Department of Administration);
- (5) Chapter 146 (State Lands); and
- (6) Article 2 of Chapter 150B shall not apply to operator selection or technology selection pursuant to G.S. 104G-10 and G.S. 104G-11. Articles 3 and 3A of Chapter 150B shall not apply to final decisions regarding site selection, operator selection or technology selection pursuant to G.S. 104G-9, 104G-10, and 104G-11."

Sec. 8. G.S. 104G-9(b) reads as rewritten:

"(b) No later than 1 May 1988, the Authority shall develop procedures and criteria for selecting a site for a low-level radioactive waste disposal facility. These procedures shall be developed with, and provide for, public participation; ~~shall be developed with the assistance of the Board;~~ ~~shall be incorporated into rules;~~ shall include a written justification for each criteria; shall be consistent with all applicable federal and State law, including statutes, regulations and rules; shall be developed and revised in light of the best available scientific data; and shall be based on consideration of at least the following factors:

- (1) Hydrological and geological factors, including flood plains, depth to water table, groundwater travel time, soil pH, soil cation exchange capacity, soil composition and permeability, cavernous bedrock, seismic activity, slope, mines, climate, and earthquake faults;
- (2) Environmental and public health factors, including air quality, quality of surface and groundwater, and proximity to public water supply watersheds;
- (3) Natural and cultural resources, including wetlands, gamelands, endangered species habitats, proximity to parks, forests, wilderness areas, nature preserves, and historic sites;
- (4) Local land uses;
- (5) Transportation factors, including proximity to waste generators, route safety, and method of transportation;
- (6) Aesthetic factors, including the visibility, appearance, and noise level of the facility."

Sec. 9. G.S. 104G-9(e) through G.S. 104G-9(g) reads as rewritten:

"(e) No later than 1 August 1989, the Authority shall select a minimum of two ~~or three~~ sites that are suitable for the location of a

low-level radioactive disposal facility, for characterization. No site may be selected for the location of a low-level radioactive waste disposal facility without first having been characterized.

(f) ~~No later than 1 August 1990, the Authority shall complete characterization of two to three sites~~ all site characterizations.

(g) No later than 15 November 1990, the Authority shall select the preferred site for a low-level radioactive waste disposal facility and begin proceedings to purchase or if necessary, condemn property for such site(s) under the State's power of eminent domain. The procedure for condemnation by the Authority shall be as set out in Article 9 of Chapter 136 of the General Statutes, except that the Authority shall have the same rights, powers, duties, and responsibilities as are set out for the Department of Transportation. The General Assembly finds that the protection of public health, safety, and welfare, including protection of the environment, requires that facilities for the management and disposal of low-level radioactive waste be established. The acquisition of real property for the management and disposal of low-level radioactive waste is therefore declared to be for the use and benefit of the public, and to serve a public purpose. Pursuant to G.S. 104E-6.1, fee simple title to the ~~land real property~~ shall be vested in the Authority."

Sec. 10. Chapter 104G of the General Statutes is amended by adding a new section to read:

" § 104G-9.1. *Annexation prohibited.*--From the time a site is selected for characterization pursuant to G.S. 104G-9(e) or from the time a county, by resolution of the board of county commissioners, proposes a specific site or area for a low-level radioactive waste facility, notwithstanding the provisions of Article 4A of Chapter 160A, no city may annex the site or area except upon a valid petition signed by the Authority. If a previously selected or proposed site or area is abandoned, then it shall once again be subject to annexation in accordance with Article 4A of Chapter 160A."

Sec.11. G.S. 104G-10(b) reads as rewritten:

"(b) ~~The Operator~~ operator shall meet the requirements of G.S. 104E-10.1."

Sec. 12. G.S. 104G-10(g) reads as rewritten:

"(g) The Authority may suspend or terminate its agreement with the operator of a low-level radioactive waste facility for any ~~breach~~ breach thereof. In the event of suspension or termination of the agreement, the Authority may select an interim or replacement operator, or may operate the facility itself, to ensure that the facility is properly maintained and operated in compliance with all applicable federal and State laws, including statutes, rules, and regulations."

Sec. 13. G.S. 104G-10(c) reads as rewritten:

"(c) The Authority shall select and employ an operator for a low-level radioactive waste disposal facility no later than ~~1 August 1988~~ 31 January 1989. If no private operator is employed by ~~1 August 1988~~ 31 January 1989, the Authority shall designate itself as the operator and shall do everything necessary to obtain all required licenses or permits to operate a low-level radioactive waste disposal facility."

Sec. 14. G.S. 104G-11(b) reads as rewritten:

"(b) The operator shall prepare and submit all applications for licenses and permits required for a low-level radioactive waste facility to the appropriate regulatory agencies. The operator shall also prepare an environmental impact report which shall become the basis of an environmental impact statement required for such facility under G.S. ~~113-4~~ 113A-4."

Sec. 15. G.S. 104G-12(d) is repealed.

Sec. 16. G.S. 104G-15(b) reads as rewritten:

"(b) The Authority shall ~~develop proposed~~ establish, and revise as necessary, schedules of fees and other charges, including user charges, penalties, and surcharges to meet the following costs:

- (1) Establishment and operation of the Authority;
- (2) Reimbursement of State agencies for costs incurred on behalf of the Authority or in support of its activities, including the costs of any services performed pursuant to G.S. 104G-14;
- (3) Establishment and administration of the Long-Term Care Fund under G.S. 104G-16;
- (4) Compensation to the State and local government(s) as provided in G.S. 104G-18;
- (5) Repayment to the State with interest, as calculated and certified by the State Treasurer, of all funds expended from the General Fund to establish, maintain, and regulate a low-level radioactive waste disposal facility;
- (6) Funding for the Southeast Interstate Low-Level Radioactive Waste Management Compact pursuant to G.S. 104F-1, Article IV;
- (7) Compensation of operators, contractors, and consultants employed by the Authority;
- (8) Other expenses incurred by the Authority, the State or its agencies in furtherance of the purposes of this Chapter; and
- (9) Compensation of any property owner for any loss in value of property directly resulting from the siting or operation of a low-level radioactive waste disposal facility."

Sec. 17. G.S. 104G-17(a) reads as rewritten:

"(a) For purposes of this Chapter, an operator of a low-level

radioactive waste disposal facility may serve as the collection agent for the Authority, in which case, ~~money~~ funds collected by the operator shall be transferred to the Authority on a timely basis, and deposited with the State Treasurer, as established by the Authority."

Sec. 18. G.S. 104G-18(d) reads as rewritten:

"(d) The Authority shall collect and deposit with the State Treasurer, on behalf of local governments where a low-level radioactive waste disposal facility is located, a tax on the gross receipts tax of the facility in an amount of two and one-half percent (2.5%) to be determined by the General Assembly, to be distributed to local governments as the General Assembly shall provide. The Authority shall develop and recommend to the General Assembly a proposed revenue package and gross receipts tax schedule and revenue distribution formula which the General Assembly shall consider in enacting taxes and fees under this Chapter providing for distribution of this tax and such other revenues as may be recommended."

Sec. 19. G.S. 104G-20(b)(8) reads as rewritten:

"(8) Develop and present recommendations concerning license conditions, operational requirements, compensation, and incentives related to the proposed facility; and".

Sec. 20. G.S. 104G-20(c) reads as rewritten:

"(c) An applicant for a license to operate a low-level radioactive waste disposal facility shall pay a one-time local application fee in an amount to be determined by the General Assembly of one hundred thousand dollars (\$100,000) to the county or counties where the site of the proposed facility is located. If the site lies in more than one county, the local application fee will be distributed to the counties in which the site is located in equal amounts. If the board of commissioners appoints a preferred site local advisory committee the local application fee shall be used to support the work of the committee. No funds for local review shall be used to finance litigation expenses."

Sec. 21. Chapter 104G of the General Statutes is amended by adding a new section to read:

"§ 104G-22. Inter-Agency Committee.--(a) To assist the Authority in the performance of its responsibilities under this Chapter and to advise the General Assembly, there is created the Inter-Agency Committee on Low-Level Radioactive Waste (herein called the 'Committee') consisting of 11 members. The members shall be composed of: the Chairman of the Board; the Chairman of the Board's Technical Committee on Low-Level Radioactive Waste; the Chief of the North Carolina Radiation Protection Section; the Chairman of the Commission's Low-Level Radioactive Waste Management Committee; the Chairman of the Authority; the Chairman of the Authority's

Technical Committee; three representatives of the Department of Natural Resources and Community Development with expertise in geology, groundwater, and air quality; and the two representatives of the Attorney General's office who provide legal services to the Authority and the Commission. The Chairman of the Board shall serve as the Chairman of the Committee, and the Board shall provide professional and clerical support to the Committee.

(b) The purpose of the Committee is to share information and coordinate efforts in the siting, design, construction, operation, and licensure of a low-level radioactive waste disposal facility.

(c) The Committee shall report to the General Assembly and its General Research Division from time to time regarding any changes in the present law it may deem appropriate to expedite the resolution of issues regarding the siting, design, construction, operation, and licensure of a low-level radioactive waste disposal facility. Such reports shall not be subject to review by the departments, respective agencies, boards, commissions, or authorities from whose membership the Committee is drawn. Notwithstanding any rule or resolution to the contrary, proposed legislation to implement any recommendation made by the Committee may be introduced and considered during any session of the General Assembly.

(d) Consistent with existing law, each agency, board, commission, or authority from whose membership the Committee is drawn shall be responsible for any expenses incident to the participation of its members in the work of the Committee, including per diem, travel, and subsistence, from funds otherwise appropriated to it. The Authority shall pay the costs of any study for which provision is not otherwise made in this section from funds otherwise appropriated to the Authority."

Sec. 22. In order to conform to the provisions of Section 23 of Article II of the Constitution of North Carolina, G.S. 104G-4, G.S. 104G-6, G.S. 104G-15, and G.S. 104G-18 as enacted by Section 1 of Chapter 850 of the 1987 Session Laws, and as amended by this act, are reenacted.

Sec. 23. Subsection (a) of Section 27 of Chapter 850 of the 1987 Session Laws is repealed.

Sec. 24. G.S. 104E-6.2 reads as rewritten:

" § 104E-6.2. *Local ordinances prohibiting low-level radioactive waste facilities invalid; petition to ~~establish facility~~ preempt local ordinance.--*

(a) Notwithstanding any authority heretofore granted to counties, municipalities, or other local authorities to adopt local ordinances, (including but not limited to those imposing taxes, fees, charges, or regulating health, environment, and land use), any local ordinance which prohibits or has the effect of prohibiting the establishment or

operation of a low-level radioactive waste facility which the Governor's Waste Management Board (herein called 'Board') has ~~approved~~ preempted pursuant to the procedures in subsections (b) through ~~(e)~~ (f) of this section, shall be invalid from 26 June 1981, but only to the extent necessary to effectuate the purposes of this Chapter and Chapter 104G of the General Statutes. For the purpose of this section, the ~~Governor's Waste Management~~ Board shall include, in addition to the members enumerated in G.S. 143B-216.12(a), two members appointed by the governing body of the county in which the ~~proposed site facility~~ is or is to be located. If the ~~proposed site facility~~ is or is to be located in more than one county, or if the proposed site is located within the boundaries of a city, the governing ~~board~~ body of each city and county in which any portion of the ~~proposed site facility~~ is or is to be located shall have one appointment. Failure of a local governing body to make an appointment within 30 days after receipt of written notice shall be deemed a vacancy in an unexpired term and shall be filled by appointment of a majority of the Board members. The terms of members appointed by local governing bodies shall end upon the final determination ~~made by~~ of the Board under this section, and such members shall serve as members of the Board only for the purposes of this section.

(b) When a low-level radioactive waste facility would be prevented from construction or operation by a county, ~~city~~ municipal, or other local ordinance(s), the North Carolina Low-Level Radioactive Waste Management Authority established pursuant to Chapter 104G of the General Statutes (herein called 'Authority') or operator of the facility may petition the ~~Governor's Waste Management~~ Board to review the matter. After receipt of a petition, the Board shall hold a hearing in accordance with the procedures in subsection (c) of this section and shall determine whether or to what extent to preempt the local ordinance to allow for either approve or disapprove the establishment and operation of the facility.

(c) When a petition described in subsection (b) of this section has been filed with the ~~Governor's Waste Management~~ Board, the Board shall hold a public hearing to consider the petition. Such hearing shall be held in the affected locality within 60 days after receipt of the petition by the Board. The ~~Authority~~ Board shall give notice of the public hearing at least 30 days prior to the date thereof by:

- (1) Publication in a newspaper or newspapers having general circulation in the county or counties where the facility is or is to be located or operated, once a week for three consecutive weeks beginning, the first notice appearing at least 30 days prior to the scheduled date of the hearing; and
- (2) First class mail to persons who have requested such notice.

The Board shall maintain a mailing list of persons who request notice in advance of the hearing pursuant to this section. Service by mail is complete upon placing the notice, enclosed in a wrapper addressed to the party to be served at his designated address with sufficient postage prepaid.

Any interested persons may appear before the Board at the hearing to offer testimony. In addition to testimony before the Board, any interested person may submit written material evidence to the Board for its consideration. At least 20 days will be allowed for receipt of written comment following the hearing.

(d) The Board shall ~~approve or disapprove~~ determine whether or to what extent to preempt the local ordinance to allow for the establishment and operation of the facility no later than 60 days after conclusion of the hearing. The Board shall ~~approve the establishment or operation of the facility~~ preempt a local ordinance only if it makes all four five of the following findings:

- (1) That there is a local ordinance applicable to the facility which would prohibit the establishment or operation of a low-level radioactive waste facility;
- ~~(1)~~ (2) That the proposed facility is needed in order to establish adequate capability for the management of low-level radioactive waste and therefore serves the interest of the citizens of the State as a whole;
- ~~(2)~~ (3) That all legally required State and federal permits or approvals have been issued by the appropriate State and federal agencies or that all State and federal permit requirements have been satisfied and that the permits or approvals have been denied or withheld only because of the local ordinance(s);
- ~~(3)~~ (4) That local citizens and elected officials have had adequate opportunity to participate in the siting process; and
- ~~(4)~~ (5) That the construction and operation of a the facility will not pose an unreasonable health or environmental risk to the surrounding locality and that the facility developer or operator, or North Carolina Low-Level Radioactive Waste Management Authority established pursuant to Chapter 104G of the General Statutes, has taken or consented to take any reasonable measures to avoid or manage foreseeable risks and to comply to the maximum feasible extent with any applicable local ordinances.

If the Board does not make all four five findings set out above, the Board shall ~~disapprove the establishment or operation of the facility~~

not preempt the challenged local ordinance(s). The Board's decision shall be in writing and shall identify the material evidence submitted to the Board plus any additional materials evidence used in arriving at the decision.

(e) The decision of the Board shall be final unless a party to the action shall, pursuant to Article 4 of Chapter 150B of the General Statutes as modified by G.S. 7A-29 and this section, files a written appeal within 30 days of the date of such decision. The record on appeal shall consist of all materials and information submitted to or considered by the Board, the Board's written decision, a complete transcript of the hearing, all written material presented to the Board regarding the site location and the specific findings required in subsection (d), and any minority positions on the recommendation and the specific findings required in this subsection. The scope of judicial review shall be that the court may affirm the decision of the Board, or may remand the matter for further proceedings, or may reverse or modify the decision if the substantial rights of the parties may have been prejudiced because the agency findings, inferences, conclusions, or decisions are:

- (1) In violation of constitutional provisions; or
- (2) In excess of the statutory authority or jurisdiction of the agency; or
- (3) Made upon unlawful procedure; or
- (4) Affected by other error or law; or
- (5) Unsupported by substantial evidence admissible under G.S. 150B-29(a) or G.S. 150B-30 in view of the entire record as submitted; or
- (6) Arbitrary or capricious.

If the court reverses or modifies the decision of the agency, the judge shall set out in writing, which writing shall become part of the record, the reasons for such reversal or modification.

(f) In computing any period of time prescribed or allowed by this procedure, the provisions of Rule 6(a) of the Rules of Civil Procedure, G.S. 1A-1, shall apply."

Sec. 25. G.S. 104E-9(8) reads as rewritten:

"(8) To establish annual fees for activities under this Chapter based on actual administrative costs to be applied to training, enforcement, and inspection pursuant to the provisions of this Chapter and to charge and collect fees from operators and users of low-level radioactive waste ~~disposal~~ facilities pursuant to the provisions of this Chapter."

Sec. 26. G.S. 104E-19(a) reads as rewritten:

"(a) In order to meet the anticipated costs of administering the educational and training programs in G.S. 104E-11(c), and of

enforcing and carrying out the inspection provisions in G.S. 104E-7(7) and 104E-11(a), of administering the licensing program in G.S. 104E-10.3, and of licensing low-level radioactive waste facilities operated pursuant to Chapter 104G of the General Statutes, the Department is authorized to charge and collect such reasonable fees as it may by rule or regulation establish."

Sec. 27. G.S. 120-123(54) reads as rewritten:

"(54) The North Carolina Low-Level Radioactive Waste ~~Disposal~~ Management Authority, as established by G.S. 104G-5."

Sec. 28. G.S. 130A-293 is rewritten to read:

" § 130A-293. *Local ordinances prohibiting hazardous waste facilities invalid; petition to preempt local ordinance.*--(a) Notwithstanding any authority granted to counties, municipalities, or other local authorities to adopt local ordinances, (including but not limited to those imposing taxes, fees, charges, or regulating health, environment, and land use), any local ordinance which prohibits or has the effect of prohibiting the establishment or operation of a hazardous waste facility which the Governor's Waste Management Board (herein called 'Board') has preempted pursuant to subsections (b) through (g) of this section, shall be invalid only to the extent necessary to effectuate the purposes of this Chapter and Part 11A of Article 10 of Chapter 143B of the General Statutes. For the purpose of this section, the Board shall include, in addition to the members enumerated in G.S. 143B-216.12(a), two members appointed by the local governing body of the county in which the facility is or is to be located. If the facility is or is to be located in more than one county, or if the facility is or is to be located within the boundaries of a city, the governing body of each city and county in which any portion of the facility is or is to be located shall have one appointment. Failure of a local governing body to make an appointment within 30 days after receipt of written notice shall be deemed a vacancy in an unexpired term and shall be filled by appointment of a majority of the Board members. The terms of the members appointed by the local governing body shall end upon the final determination of the Board under this section, and such members shall serve as members of the Board only for the purposes of this section.

(b) When a hazardous waste facility would be prevented from construction or operation by a county, municipal, or other local ordinance(s), the operator of the facility or the Hazardous Waste Treatment Commission may petition the Board to review the matter. After receipt of a petition, the Board shall hold a hearing in accordance with the procedures in subsection (c) of this section and shall determine whether or to what extent to preempt the local ordinance to allow for the establishment and operation of the facility.

(c) When a petition described in subsection (b) of this section has been filed with the Board, the Board shall hold a public hearing to consider the petition. Such hearing shall be held in the affected locality within 60 days after receipt of the petition by the Board. The Board shall give notice of the public hearing by:

- (1) Publication in a newspaper or newspapers having general circulation in the county or counties where the facility is or is to be located or operated, once a week for three consecutive weeks, the first notice appearing at least 30 days prior to the scheduled date of the hearing; and
- (2) First class mail to persons who have requested such notice. The Board shall maintain a mailing list of persons who request notice in advance of the hearing pursuant to this section. Service by mail is complete upon placing the notice, enclosed in a wrapper addressed to the person to be served with sufficient postage prepaid and addressed to the party at his designated address.

Any interested persons may appear before the Board at the hearing to offer testimony. In addition to testimony before the Board, any interested persons may submit written evidence to the Board for its consideration. At least 20 days will be allowed for receipt of written comment following the hearing.

(d) The Board shall determine whether or to what extent to preempt the local ordinance to allow for the establishment and operation of the facility no later than 60 days after conclusion of the hearing. The Board shall preempt a local ordinance only if it makes all five of the following findings:

- (1) That there is a local ordinance applicable to the facility which would prohibit the establishment or operation of a hazardous waste facility;
- (2) That the proposed facility is needed in order to establish adequate capability for the management of hazardous waste generated in this State and therefore serves the interest of the citizens of the State as a whole;
- (3) That all legally required State and federal permits or approvals have been issued by the appropriate State and federal agencies or that all State and federal permit requirements have been satisfied and that the permits or approvals have been denied or withheld only because of the local ordinance(s);
- (4) That local citizens and elected officials have had adequate opportunity to participate in the siting process; and
- (5) That the construction and operation of the facility will not pose an unreasonable health or environmental risk to the

surrounding locality and that the facility operator or Treatment Commission has taken or consented to take any reasonable measures to avoid or manage foreseeable risks and to comply to the maximum feasible extent with and applicable local ordinance(s).

If the Board does not make all five findings set out above, the Board shall not preempt the challenged local ordinance(s). The Board's decision shall be in writing and shall identify the evidence submitted to the Board plus any additional evidence used in arriving at the decision.

(e) The decision of the Board shall be final unless a party to the action shall, pursuant to Article 4 of Chapter 150B of the General Statutes as modified by G.S. 7A-29 and this section, file a written appeal within 30 days of the date of such decision. The record on appeal shall consist of all materials and information submitted to or considered by the Board, the Board's written decision, a complete transcript of the hearing, all written material presented to the Board regarding the site location and the specific findings required in subsection (d), and any minority positions on the recommendation and specific findings required in this subsection. The scope of judicial review shall be that the court may affirm the decision of the Board, or may remand the matter for further proceedings, or may reverse or modify the decision if the substantial rights of the parties may have been prejudiced because the agency findings, inferences, conclusions, or decisions are:

- (1) In violation of constitutional provisions; or
- (2) In excess of the statutory authority or jurisdiction of the agency; or
- (3) Made upon unlawful procedure; or
- (4) Affected by other error or law; or
- (5) Unsupported by substantial evidence admissible under G.S. 150B-29(a) or G.S. 150B-30 in view of the entire record as submitted; or
- (6) Arbitrary or capricious.

If the court reverses or modifies the decision of the agency, the judge shall set out in writing, which writing shall become part of the record, the reasons for such reversal or modification.

(f) In computing any period of time prescribed or allowed by this procedure, the provisions of Rule 6(a) of the Rules of Civil Procedure, G.S. 1A-1, shall apply.

(g) The provisions of this section shall not apply to the siting of a hazardous waste landfill facility until the rules for the operation applicable to a hazardous waste landfill have been adopted by the appropriate State agencies."

Sec. 29. G.S. 143B-470.1 reads as rewritten:

"§ 143B-470.1. Declaration of purposes; annexation prohibited.--(a) It is the purpose of this Part to provide for the siting, construction and operation of comprehensive hazardous waste management facilities to the end that hazardous waste may be treated or disposed of in the most cost-effective manner, while protecting public health and safety and the environment. It is also the purpose of the General Assembly to create a Commission to site, finance, build, lease or operate, or oversee a hazardous waste treatment facility if private enterprise fails to do so within a specified time. It is also the purpose of the General Assembly through powers granted to the Governor's Waste Management Board to place limitations upon the exercise by all units of local government in North Carolina of the power to regulate the management of hazardous waste by means of special local or private acts or resolutions, ordinances, property restrictions, zoning laws, rules and regulations, fire laws, rules and regulations, civil defense laws, rules and regulations, public health laws, rules and regulations, building codes, and otherwise.

(b) From the time a site is selected for a hazardous waste treatment facility pursuant to G.S. 143B-470.4(b) or from the time a county, by resolution of the board of commissioners, proposes a specific site or area for such a hazardous waste treatment facility, notwithstanding the provisions of Article 4A of Chapter 160A, no city may annex the site or area except upon a valid petition signed by the owner of the treatment facility's real property. If a previously selected site or area is abandoned, then it shall again be subject to annexation in accordance with Article 4A of Chapter 160A."

Sec. 30. Part 11A of Article 10 of Chapter 143B is amended by adding the following new section:

"§ 143B-470.1A. Gross receipts tax.--The Treatment Commission shall collect and deposit with State Treasurer, on behalf of local governments where a hazardous waste treatment facility is located pursuant to this Part, a gross receipts tax in the amount of two and one-half percent (2.5%) of the gross receipts of the treatment facility per annum, to be distributed to local governments as the General Assembly shall provide. The Treatment Commission shall develop and recommend to the General Assembly a proposed revenue package and revenue distribution formula which the General Assembly shall consider in providing for distribution of this tax and such other revenues as may be recommended."

Sec. 31. G.S. 143B-470.2 is amended by renumbering the present subdivision (1) as subdivision (1a) and adding a new subdivision (1) as follows:

"(1) 'CERCLA/SARA' means Comprehensive Environmental

Response, Compensation, and Liability Act of 1980, Pub. L. No. 96-510, 94 Stat. 2767, 42 U.S.C. 9601 et seq., as amended, and the Superfund Amendments and Reauthorization Act of 1986, Pub. L. No. 99-499, 100 Stat. 1613, as amended."

Sec. 32. G.S. 143B-470.4 is amended by adding two new subsections immediately after subsection (b) as follows:

"(b1) Notwithstanding the provisions of subsection (b) of this section, until further authorization by the General Assembly, the Treatment Commission shall not site a hazardous waste treatment facility in any county in the State, nor enter into any activity leading to the siting of a facility, including negotiation for, optioning of, purchase of, or condemnation of any land, the preparation or filing of an environmental impact statement, or any other activity that might be precedent to the selection of a site for a hazardous waste treatment facility, except that the Treatment Commission may continue to seek a volunteer county willing to host the facility.

(b2) The Treatment Commission shall study the necessity and scope of the facility authorized by this section. The Treatment Commission shall lend assistance to and work in cooperation with any study committee or commission authorized by the General Assembly to study the subject of hazardous waste."

Sec. 33. Part 11A of Article 10 of Chapter 143B is amended by adding a new section as follows:

"§ 143B-470.6. *Governor to contract for treatment and disposal.*--(a) Notwithstanding the provisions of G.S. 143B-470.4, the Governor is authorized to enter into interstate agreements to provide for the treatment and disposal of the State's hazardous waste outside the State as permitted by CERCLA/SARA, and he shall make every reasonable effort to do so beginning as soon as possible after the effective date of this section. The Treatment Commission shall assist the Governor in this effort as directed by him.

(b) In the event the Governor is unable to enter into interstate agreements to provide for the treatment and disposal of the State's hazardous waste outside the State, he shall certify to the Treatment Commission that adequate capacity cannot be guaranteed through out-of-state contractual agreements and provide to it a report of his efforts to do so. Copies of the report shall also be sent to the Joint Legislative Commission on Governmental Operations and the General Research Division of the Legislative Services Commission."

Sec. 34. This act is effective upon ratification.

In the General Assembly read three times and ratified this the 27th day of June, 1988.

AN ACT TO AMEND THE FORMULA USED TO APPORTION THE INCOME OF MULTI-STATE CORPORATIONS TO THIS STATE FOR INCOME TAXATION AND TO CONFORM THE FORMULA FOR PAYMENT OF ESTIMATED TAXES TO THE FEDERAL FORMULA.

The General Assembly of North Carolina enacts:

Section 1. G.S. 105-130.4(i) reads as rewritten:

"(i) All business income of corporations other than public utilities and excluded corporations shall be apportioned to this State by multiplying the income by a fraction, the numerator of which is the property factor plus the payroll factor plus twice the sales factor, and the denominator of which is ~~three~~ four. Provided, that where less than three of the said factors exist, the denominator of the fraction shall be the same as the number of existing factors. the sales factor does not exist, the denominator of the fraction shall be the number of existing factors and where the sales factor exists but the payroll factor or the property factor does not exist, the denominator of the fraction shall be the number of existing factors plus one."

Sec. 2. G.S. 105-163.41(b) reads as rewritten:

"(b) The amount of the underpayment shall be the difference between:

- (1) The amount of the installment the corporation would have been required to pay if the corporation's estimated tax equalled ~~eighty ninety~~ percent ~~(80%)~~ (90%) of the tax imposed under Article 4 for the taxable year, assuming the same schedule of installments, or ~~eighty ninety~~ percent ~~(80%)~~ (90%) of the tax imposed for the taxable year if the corporation made no installment payments; and
- (2) The amount, if any, of the corresponding installment timely paid by the corporation."

Sec. 3. G.S. 105-163.41(d) reads as rewritten:

"(d) The Except as provided in subdivision (5) of this subsection, the penalty for underpayment shall not be imposed if the total amount of all payments of estimated tax made on or before the last date prescribed for the payment of the installments equals or exceeds the amount that would have been required to be paid on or before that date if the estimated tax was equal to the least of:

- (1) The tax shown on the return of the corporation for the preceding taxable year, if the corporation filed a return for the preceding taxable year and the preceding year was a taxable year of 12 months;

- (2) An amount equal to the tax computed at the rates applicable to the taxable year but otherwise on the basis of the facts shown on the return of the corporation for, and the law applicable to, the preceding taxable year; or
- (3) An amount equal to ~~eighty~~ ninety percent (90%) of the tax for the taxable year computed by placing on an annualized basis the taxable income:
 - a. For the first three months of the taxable year, in the case of the installment required to be paid in the 4th month;
 - b. For the first three months or for the first five months of the taxable year, in the case of the installment required to be paid in the 6th month;
 - c. For the first six months or for the first eight months of the taxable year, in the case of the installment required to be paid in the 9th month; and
 - d. For the first nine months or for the first 11 months of the taxable year, in the case of the installment required to be paid in the 12th month of the taxable year.
- (4) For purposes of this subdivision, the taxable income shall be placed on an annualized basis by multiplying by 12 the taxable income referred to in the preceding sentence, and dividing the resulting amount by the number of months in the taxable year (3, 5, 6, 8, 9, or 11 as the case may be) referred to in that sentence.
- (5) In the case of a large corporation, as defined in section 6655 of the Code, subdivisions (1) and (2) of this subsection shall not apply."

Sec. 4. Section 1 of this act is effective for taxable years beginning on or after January 1, 1989. Sections 2 and 3 of this act are effective for taxable years beginning on or after June 25, 1988. Section 4 of this act is effective upon ratification.

In the General Assembly read three times and ratified this the 27th day of June, 1988.

H.B. 2463

CHAPTER 995

AN ACT TO AMEND CHAPTER 806 OF THE 1987 SESSION LAWS TO PROVIDE CHANGES ONLY WITH RESPECT TO PROJECTS WHOLLY SELF-LIQUIDATING.

The General Assembly of North Carolina enacts:

Section 1. The purpose of this act is to amend Section 2 of the 1987 Session Laws, Chapter 806, as it relates to Appalachian State

University by increasing the amount authorized for the Expansion of Field House from one million ninety-five thousand eight hundred dollars (\$1,095,800) to one million three hundred eighty-nine thousand seven hundred dollars (\$1,389,700) and as it relates to The University of North Carolina at Greensboro by increasing the amount authorized for Student Recreation Facilities from seven million nine hundred eighty-eight thousand dollars (\$7,988,000) to ten million four hundred twenty-eight thousand nine hundred dollars (\$10,428,900), on a wholly self-liquidating basis.

Sec. 2. Section 2 of Chapter 806 of the 1987 Session Laws under the institutional subheading as indicated, and affecting only the projects listed in this act, is amended to read as follows:

1. Appalachian State University

Expansion of Field House	\$ 1,389,700
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4. The University of North Carolina at Greensboro

b. Student Recreation Facilities	10,428,900
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Sec. 3. This act is effective upon ratification.

In the General Assembly read three times and ratified this the 27th day of June, 1988.

S.B. 1576

CHAPTER 996

AN ACT TO ALLOW THE TOWN OF ROLESVILLE TO IMPOSE IMPACT FEES.

The General Assembly of North Carolina enacts:

Section 1. Impact Fees Authorized. (a) The Town Board of Commissioners may provide by ordinance for a system of impact fees to be paid by developers to help defray the costs to the Town of constructing certain capital improvements, the need for which is created in substantial part by the new development that takes place within the town and its extraterritorial planning area.

(b) For purposes of this act, the term capital improvements includes capital improvements to public streets, bridges, sidewalks, greenways, water treatment facilities, wastewater treatment facilities, bikeways, on and off street surface water drainage ditches, pipes, culverts, other drainage facilities, public schools, and public recreation facilities.

(c) An ordinance adopted under this act may be made applicable to all development that occurs within the town and its extraterritorial planning area, as established by local act or pursuant to the procedures set forth in G.S. 160A-360.

(d) The Town may, with the approval of the Wake County Board of Commissioners, construct capital improvements outside the

Town limits but within the Town's extraterritorial planning area.

Sec. 2. Amount of Fees. In establishing the amount of any impact fee, the Town shall endeavor to approach the objective of having every development contribute to a capital improvements fund an amount of revenue that bears a reasonable relationship to that development's fair share of the costs of the capital improvements that are needed in part because of that development. In fulfilling this objective, the Town Board of Commissioners shall, among other steps and actions:

- (1) Estimate the total cost of improvements by category (e.g., streets, water, sewer, etc.) that will be needed to provide in a reasonable manner for the public health, safety and welfare of persons residing within the Town and its extraterritorial planning area during a reasonable planning period not to exceed 20 years. The Council may divide the Town and its extraterritorial area into two or more districts and estimate the costs of needed improvements within each district. These estimates shall be periodically reviewed and updated, and the planning period used may be changed from time to time.
- (2) Establish a percentage of the total costs of each category of improvement that, in keeping with the objective set forth above, should fairly be borne by those paying the impact fee.
- (3) Establish a formula that fairly and objectively apportions the total costs that are to be borne by those paying impact fees among various types of developments. By way of illustration without limitation:
 - a. In the case of street improvements, the impact fee may be related to the number of trips per day generated by different types of uses according to recognized estimates;
 - b. In the case of drainage improvements, the impact fee may be related to the size of a development, the amount of impervious surface the development has, or other factors that bear upon the degree to which a development contributes to the need for drainage improvements made at public expense.

Sec. 3. Capital Improvements Reserve Funds; Expenditures.

(a) Impact fees received by the Town shall be deposited in a capital improvements reserve fund or funds established under Chapter 159 of the General Statutes, Article 3, Part 2. Such funds may be expended only on the type of capital improvements for which such impact fees were established, and then only in accordance with the provisions of subsection (b) of this section.

(b) In order to ensure that impact fees paid by a particular development are expended on capital improvements that benefit that development, the Town may establish for each category of capital improvement for which it collects an impact fee at least two geographical districts or zones, and impact fees generated by developments within those districts or zones must be spent on improvements that are located within or that benefit property located within those districts or zones.

Sec. 4. Credits for Improvements. An ordinance adopted under this act shall make provision for credits against required fees when a developer installs improvements of a type that generally would be paid for by the Town out of a capital reserve account funded by impact fees. The ordinance may spell out the circumstances under which a developer will be allowed to install such improvements and receive such credits.

Sec. 5. Appeals Procedure. An ordinance adopted under this Article may provide that any person aggrieved by a decision regarding an impact fee may appeal to the Rolesville Board of Adjustment. If the ordinance establishes an appeal procedure, it shall spell out the time within which the appeal must be taken to the Board of Adjustment, the possible grounds for an appeal and the board's authority in the matter, whether the fee must be paid prior to resolution of the appeal, and other procedural or substantive matters related to appeals. Any decision by the Board of Adjustment shall be subject to review by the superior court by proceedings in the nature of *certiorari* in the same manner as is provided in G.S. 160A-388(e).

Sec. 6. Payment of Impact Fees. An ordinance adopted under this act shall spell out when in the process of development approval and construction impact fees shall be paid and by whom. By way of illustration without limitation, the ordinance may provide that an applicant for a building permit shall submit the impact fee along with the permit application and that building permits shall not be issued until the impact fee has been paid.

Sec. 7. Refunds. If this act or any ordinance adopted thereunder is declared to be unconstitutional or otherwise invalid, then any impact fees collected shall be refunded thereunder to the person paying them together with interest at the same rate paid by the Secretary of Revenue on refunds for tax overpayments.

Sec. 8. Limitations on Actions. (a) Any action contesting the validity of an ordinance adopted under this act must be commenced not later than nine months after the effective date of such ordinance.

(b) Any action seeking to recover an impact fee must be commenced not later than nine months after the impact fee is paid.

Sec. 9. Supplemental Power. The powers conferred in this act

shall be supplementary to all other powers and procedures authorized by any other general or local law. Assessments, charges, fees, or rates authorized by any other general or local law are not affected by this act.

Sec. 10. This act applies to the Town of Rolesville only.

Sec. 11. This act is effective upon ratification.

In the General Assembly read three times and ratified this the 28th day of June, 1988.

S.B. 1597

CHAPTER 997

AN ACT TO INCREASE THE FINE FOR UNAUTHORIZED PARKING IN A HANDICAPPED PARKING SPACE IN THE CITY OF JACKSONVILLE.

The General Assembly of North Carolina enacts:

Section 1. G.S. 20-37.6(f)(1) reads as rewritten:

"(1) A violation of G.S. 20-37.6(e)(1), (2) or (3) is an infraction which carries a penalty of ~~twenty-five dollars (\$25.00)~~ fifty dollars (\$50.00) and whenever evidence shall be presented in any court of the fact that any automobile, truck, or other vehicle was found to be parked in a properly designated handicapped parking space in violation of the provisions of this section, it shall be *prima facie* evidence in any court in the State of North Carolina that the vehicle was parked and left in the space by the person, firm, or corporation in whose name the vehicle is registered and licensed according to the records of the Division of Motor Vehicles. No evidence tendered or presented under this authorization shall be admissible or competent in any respect in any court or tribunal except in cases concerned solely with a violation of this section."

Sec. 2. This act applies only to the City of Jacksonville.

Sec. 3. This act shall become effective October 1, 1988.

In the General Assembly read three times and ratified this the 28th day of June, 1988.

S.B. 1615

CHAPTER 998

AN ACT TO AUTHORIZE THE CITY OF RALEIGH TO LEVY A MOTOR VEHICLE TAX NOT TO EXCEED TEN DOLLARS.

The General Assembly of North Carolina enacts:

Section 1. G.S. 20-97(a) is amended by deleting "not more than five dollars (\$5.00) per year", and substituting: "not more than ten dollars (\$10.00) per year or part thereof".

Sec. 2. This act applies only to the City of Raleigh.

Sec. 3. This act is effective upon ratification.

In the General Assembly read three times and ratified this the 28th day of June, 1988.

H.B. 546

CHAPTER 999

AN ACT TO PROVIDE FOR AMENDMENTS TO THE
EMPLOYMENT SECURITY LAW.

The General Assembly of North Carolina enacts:

Section 1. G.S. 96-8(6)k is amended by adding a second paragraph to read as follows:

"17. Services performed by an inmate of the North Carolina prison system on work release."

Sec. 2. G.S. 96-9(c)(4)a is amended by adding a second paragraph to read as follows:

"On or after August 1, 1988, whenever any individual, group of individuals, or employing unit, who or which, in any manner succeeds to or acquires all of the organization, trade, or business of another employing unit as provided in G.S. 96-8, subdivision (5), paragraph b, the account of the predecessor shall be transferred as of the date of the acquisition of the business to the successor employer for use in the determination of his rate of contributions. Whenever any individual, group of individuals, or employing unit, who or which, in any manner succeeds to or acquires a distinct and severable portion of the organization, trade, or business of another employing unit as provided in G.S. 96-8, subdivision (5), paragraph b, that part of the account of the predecessor which relates to the acquired portion of the business shall, upon the mutual consent of the parties concerned and approval of the Commission in conformity with the regulations as prescribed therefor, be transferred as of the date of acquisition of the business to the successor employer for use in the determination of his rate of contributions, provided application for transfer is made within 60 days after the Commission notifies the successor of his right to request such transfer, otherwise the effective date of the transfer shall be the first day of the calendar quarter in which such application is filed, and that after the transfer the successor employing unit continues to operate the transferred portion of such organization, trade or business. Provided, however, that the transfer of an account for the purpose of computation of rates shall be deemed to have been made prior to the computation date falling within the calendar year within which the effective date of such transfer occurs and the account shall thereafter be used in the computation of

the rate of the successor employer for succeeding years, subject, however, to the provisions of paragraph b of this subdivision. No request for a transfer of the account will be accepted and no transfer of the account will be made if the request for the transfer of the account is not received within two years of the date of acquisition or notification by the Commission of the right to request such transfer, whichever occurs later. However, in no event will a request for a transfer be allowed if an account has been terminated because an employer ceases to be an employer pursuant to G.S. 96-9(c)(5) and G.S. 96-11(d) regardless of the date of notification."

Sec. 3. G.S. 96-9(c)(4)b is amended adding after "transferred," and before "he" in the second sentence a phrase to read as follows: "or meets the requirements for mandatory transfer,".

Sec. 4. G.S. 96-14(1) is hereby amended by:

(a) Rewriting the third paragraph to read as follows:

"Where an employee is notified by the employer that such employee will be separated from employment on some future date and the employee leaves work prior to this date because of the impending separation, the employee shall be deemed to have left work voluntarily and the leaving shall be without good cause attributable to the employer. However, if the employee shows to the satisfaction of the Commission that it was impracticable or unduly burdensome for the employee to work until the announced separation date, the permanent disqualification imposed for leaving work without good cause attributable to the employer may be reduced to the greater of four weeks or the period running from the beginning of the week during which the claim for benefits was made until the end of the week of the announced separation date."

(b) Adding a new subsection (1A) to read as follows:

"(1A) Except as specifically provided in G.S. 96-14(1), leaving of work shall constitute a voluntary leaving, not an involuntary leaving."

Sec. 5. G.S. 96-14(5) is amended by deleting the comma appearing after the words "place" and "State" as well as deleting "either" and "or without" in the first sentence.

Sec. 6. G.S. 96-15 is amended by adding a new subsection (c1) to read:

"(c1) Unless required for disposition of an *ex parte* matter authorized by law, a Commissioner, appeals referee, or employee assigned to make a decision or to make findings of facts and conclusions of law in a case shall not communicate, directly or indirectly, in connection with any issue of fact, or question of law, with any person or party or his representative, except on notice and opportunity for parties to participate."

Sec. 7. This act is effective upon ratification.

In the General Assembly read three times and ratified this the 28th day of June, 1988.

H.B. 1171

CHAPTER 1000

AN ACT TO IMPROVE ADMINISTRATION OF THE
SEDIMENTATION POLLUTION CONTROL ACT OF 1973.

The General Assembly of North Carolina enacts:

Section 1. G.S. 153A-357 reads as rewritten:

" § 153A-357. *Permits.*--(a) No person may commence or proceed with:

- (1) The construction, reconstruction, alteration, repair, movement to another site, removal, or demolition of any building;
- (2) The installation, extension, or general repair of any plumbing system;
- (3) The installation, extension, alteration, or general repair of any heating or cooling equipment system; or
- (4) The installation, extension, alteration, or general repair of any electrical wiring, devices, appliances, or equipment

without first securing from the inspection department with jurisdiction over the site of the work each permit required by the State Building Code and any other State or local law or local ordinance or regulation applicable to the work. A permit shall be in writing and shall contain a provision that the work done shall comply with the State Building Code and all other applicable State and local laws and local ordinances and regulations. No permit may be issued unless the plans and specifications are identified by the name and address of the author thereof; and if the General Statutes of North Carolina require that plans for certain types of work be prepared only by a registered architect or registered engineer, no permit may be issued unless the plans and specifications bear the North Carolina seal of a registered architect or of a registered engineer. If a provision of the General Statutes of North Carolina or of any ordinance requires that work be done by a licensed specialty contractor of any kind, no permit for the work may be issued unless the work is to be performed by such a duly licensed contractor. No permit issued under Articles 9 or 9C of Chapter 143 shall be required for any construction, installation, repair, replacement, or alteration costing five thousand dollars (\$5,000) or less in any single-family residence or farm building unless the work involves: the addition, repair or replacement of load

bearing structures; the addition (excluding replacement of same size and capacity) or change in the design of plumbing; the addition, replacement or change in the design of heating, air conditioning, or electrical wiring, devices, appliances, or equipment; the use of materials not permitted by the North Carolina Uniform Residential Building Code; or the addition (excluding replacement of like grade of fire resistance) of roofing. Violation of this section constitutes a misdemeanor.

(b) No permit shall be issued pursuant to subsection (a) for any land-disturbing activity, as defined in G.S. 113A-52(6), for any activity covered by G.S. 113A-57, unless an erosion control plan has been approved by the Sedimentation Pollution Control Commission pursuant to G.S. 113A-54(d)(4) or by a local government pursuant to G.S. 113A-61 for the site of the activity or a tract of land including the site of the activity."

Sec. 2. G.S. 160A-417 reads as rewritten:

" § 160A-417. *Permits.*--(a) No person shall commence or proceed with:

- (1) The construction, reconstruction, alteration, repair, movement to another site, removal, or demolition of any building or structure,
- (2) The installation, extension, or general repair of any plumbing system,
- (3) The installation, extension, alteration, or general repair of any heating or cooling equipment system, or
- (4) The installation, extension, alteration, or general repair of any electrical wiring, devices, appliances, or equipment,

without first securing from the inspection department with jurisdiction over the site of the work any and all permits required by the State Building Code and any other State or local laws applicable to the work. A permit shall be in writing and shall contain a provision that the work done shall comply with the State Building Code and all other applicable State and local laws. No permits shall be issued unless the plans and specifications are identified by the name and address of the author thereof, and if the General Statutes of North Carolina require that plans for certain types of work be prepared only by a registered architect or registered engineer, no permit shall be issued unless the plans and specifications bear the North Carolina seal of a registered architect or of a registered engineer. When any provision of the General Statutes of North Carolina or of any ordinance requires that

work be done by a licensed specialty contractor of any kind, no permit for the work shall be issued unless the work is to be performed by such a duly licensed contractor. No permit issued under Articles 9 or 9C of Chapter 143 shall be required for any construction, installation, repair, replacement, or alteration costing five thousand dollars (\$5,000) or less in any single family residence or farm building unless the work involves: the addition, repair or replacement of load bearing structures; the addition (excluding replacement of same size and capacity) or change in the design of plumbing; the addition, replacement or change in the design of heating, air conditioning, or electrical wiring, devices, appliances, or equipment; the use of materials not permitted by the North Carolina Uniform Residential Building Code; or the addition (excluding replacement of like grade of fire resistance) of roofing. Violation of this section shall constitute a misdemeanor.

(b) No permit shall be issued pursuant to subsection (a) for any land-disturbing activity, as defined in G.S. 113A-52(6), for any activity covered by G.S. 113A-57, unless an erosion control plan has been approved by the Sedimentation Pollution Control Commission pursuant to G.S. 113A-54(d)(4) or by a local government pursuant to G.S. 113A-61 for the site of the activity or a tract of land including the site of the activity."

Sec. 3. G.S. 113A-54(d)(4) reads as rewritten:

"(4) Require submission of erosion control plans by those responsible for initiating land-disturbing activities for approval prior to commencement of the activities. As to those activities requiring prior plan approval, the Commission must either approve or disapprove the plan within 30 days of receipt. The draft plan must contain the applicant's address and, if the applicant is not a resident of North Carolina, designate a North Carolina agent for the purpose of receiving notice from the Commission or the Secretary of compliance or noncompliance with the plan, this Article, or any rules adopted pursuant to this Article. Failure to approve or disapprove a complete erosion and sedimentation control plan within 30 days of receipt shall be deemed approval. Denial of a plan must specifically state in writing the reasons for denial. The Commission must approve or deny a revised plan within 15 days of receipt, or it is deemed to be approved.

If, following commencement of a land-disturbing activity pursuant to an approved plan, the Commission determines that the plan is inadequate to meet the requirements of this Article, the Commission

may require such revisions as are necessary to comply with this act. The Commission must approve or deny the revised plan within 15 days of receipt, or it is deemed to be approved."

Sec. 4. G.S. 113A-56(a) reads as rewritten:

"(a) The Commission shall have jurisdiction, to the exclusion of local governments, for the purpose of promulgating ~~regulations~~ rules concerning land-disturbing activities that are:

- (1) Conducted by the State;
- (2) Conducted by the United States;
- (3) Conducted by persons having the power of eminent domain;
- (4) Conducted by local governments; or
- ~~(5) Licensed by the State or the United States; or~~
- ~~(6) (5) Funded in whole or in part by the State or the United States."~~

Sec. 5. G.S. 113A-64(a) reads as rewritten:

"(a) Civil Penalties. ---

- (1) Any person who violates any of the provisions of this Article or any ordinance, rule, ~~regulation~~, or order adopted or issued pursuant to this Article by the Commission or by a local government, or who initiates or continues a land-disturbing activity for which an erosion control plan is required except in accordance with the terms, conditions, and provisions of an approved plan, shall be subject to a civil penalty of not more than one hundred dollars (\$100.00), except that the penalty for failure to submit an erosion control plan shall be as provided in subdivision (3) of this subsection. No penalty shall be assessed until the person alleged to be in violation has been notified of the violation. Each day of a continuing violation shall constitute a separate violation ~~under G.S. 113A-64(a)(1).~~
- (2) The Secretary, for violations under the Commission's jurisdiction, or the governing body of any local government having jurisdiction, shall determine the amount of the civil penalty to be assessed under G.S. 113A-64(a) and shall make written demand for payment upon the person responsible for the violation, and shall set forth in detail the violation for which the penalty has been invoked. If payment is not received or equitable settlement reached within 30 days after demand for payment is made, the Secretary shall refer the matter to the Attorney General for the institution of a civil action in the name of the State in the superior court of the county in which the violation is alleged to have occurred to recover the amount of the penalty, and local governments shall refer such matters to their respective

attorneys for the institution of a civil action in the name of the local government in the appropriate division of the General Court of Justice of the county in which the violation is alleged to have occurred for recovery of the penalty. Any sums recovered shall be used to carry out the purposes and requirements of this Article.

- (3) Any person who fails to submit an erosion control plan for approval by the Commission pursuant to G.S. 113A-54(d)(4) or by a local government pursuant to G.S. 113A-61 shall be subject to a single, noncontinuing civil penalty of not more than one thousand dollars (\$1,000). Any penalty which is recovered pursuant to this subdivision shall be deposited in the General Fund. Any person who is subject to a civil penalty under this subdivision may be subject to additional civil penalties for violation of any other provision of this Article or any ordinance, rule, or order adopted or issued pursuant to this Article by the Commission or a local government."

Sec. 6. G.S. 113A-66(a) reads as rewritten:

"(a) Any person injured by a violation of this Article or any ordinance, rule, ~~regulation,~~ or order duly adopted by the Secretary or a local government, or by the initiation or continuation of a land-disturbing activity for which an erosion control plan is required other than in accordance with the terms, conditions, and provisions of an approved plan, may bring a civil action against the person alleged to be in violation (including the State and any local government). The action may seek:

- (1) Injunctive relief;
- (2) An order enforcing the law, rule, ~~regulation,~~ ordinance, order, or erosion control plan violated; or
- (3) Damages caused by the violation; or
- ~~(4) Both damages and injunctive relief; or~~
- ~~(5) (4) Both damages and an enforcement order.~~

If the amount of actual damages as found by the court or jury in suits brought under this subsection is ~~hundred~~ thousand dollars ~~(\$500.00)~~ (\$5,000) or less, the plaintiff shall be awarded ~~double the amount of actual damages; if the amount of actual damages as found by the court or jury is greater than five hundred dollars (\$500.00), the plaintiff shall receive damages in the amount so found, costs of litigation including reasonable attorneys fees and expert witness fees."~~

Sec. 7. The Department of Natural Resources and Community Development shall study and report to the General Assembly by 1 October 1990, on the effect of the amendments to the Sedimentation Pollution Control Act of 1973 enacted by Sections 1 through 6 of this

act and on the advisability of additional amendments to give the Department authority to: (i) collect plan approval fees, (ii) require performance bonds for land disturbing activities, (iii) issue stop work orders by field personnel, and (iv) increase civil penalties assessed for violation of provisions of Chapter 113A of the General Statutes.

Sec. 8. This act shall become effective 1 January 1989.

In the General Assembly read three times and ratified this the 28th day of June, 1988.

H.B. 2169

CHAPTER 1001

AN ACT TO CHANGE THE EFFECTIVE DATE OF THE TRANSFER OF RESPONSIBILITY FOR ISSUING BINGO LICENSES FROM THE DEPARTMENT OF REVENUE TO THE DEPARTMENT OF HUMAN RESOURCES.

The General Assembly of North Carolina enacts:

Section 1. Section 4 of Chapter 866 of the 1987 Session Laws reads as rewritten:

"Sec. 4. This act shall become effective ~~September 1, 1987, provided that the Current Operations Appropriations Act for fiscal years 1987-89 includes funding for personnel and other administrative expenses to implement the provisions of this act. If this act becomes effective, it~~ September 1, 1988, and shall apply to applications to renew a bingo license or obtain a new license made on or after ~~the~~ the effective that date."

Sec. 2. This act is effective upon ratification.

In the General Assembly read three times and ratified this the 28th day of June, 1988.

H.B. 2172

CHAPTER 1002

AN ACT TO ALLOW THE CITIES OF KINSTON AND MORGANTON, AND THE COUNTIES OF BURKE AND LENOIR TO ACQUIRE LAND FOR INDUSTRIAL DEVELOPMENT AND DISPOSE OF SAME WITHOUT PUBLIC SALE.

The General Assembly of North Carolina enacts:

Section 1. Lenoir County and the City of Kinston may acquire real property for industrial development purposes, and in sale, lease or other conveyance of such real property for industrial development purposes are exempt from all provisions, restrictions and limitations required to effectuate sales, leases or other conveyances of real

property provided for in Article 12 of Chapter 160A and Article 1 of Chapter 158 of the General Statutes or in the Charter of City of Kinston as found in Chapter 169, Session Laws of 1987.

Sec. 2. The provisions of Sections 1 through 3 of this act shall apply to any property hereafter acquired by the City of Kinston and County of Lenoir for industrial development purposes and those properties previously acquired for industrial development purposes including, but not limited to, the "Mewborne Farm" and the "Trollinger Farm" fronting on NCSR 1573 (Dobbs Farm Road), the "Evans Tract" fronting on N.C. Highway 11 (Greenville Highway) and the R. G. Hodges Farm fronting on U.S. Highway 70 West.

Sec. 3. Any sale, lease or other conveyance by the City of Kinston and County of Lenoir as Grantors or Lessors involving real property previously acquired for industrial development purposes which would have been permitted under the provisions of this act are confirmed, validated and ratified.

Sec. 3.1. (a) A city may acquire real property for industrial development purposes, and in sale, lease or other conveyance of such real property for industrial development purposes are exempt from all provisions, restrictions and limitations required to effectuate sales, leases or other conveyances of real property provided for in Article 12 of Chapter 160A and Article 1 of Chapter 158 of the General Statutes or in the charter of the city. Any sale, lease or other conveyance by a city as grantors or lessors involving real property previously acquired for industrial development purposes which would have been permitted under the provisions of this act are confirmed, validated and ratified.

(b) This section applies only to the City of Morganton.

Sec. 3.2. (a) A county may acquire real property for industrial development purposes, and in sale, lease or other conveyance of such real property for industrial development purposes are exempt from all provisions, restrictions and limitations required to effectuate sales, leases or other conveyances of real property provided for in Article 12 of Chapter 160A and Article 1 of Chapter 158 of the General Statutes. Any sale, lease or other conveyance by a county as grantors or lessors involving real property previously acquired for industrial development purposes which would have been permitted under the provisions of this act are confirmed, validated and ratified.

(b) This section applies only to the County of Burke.

Sec. 4. This act is effective upon ratification.

In the General Assembly read three times and ratified this the 28th day of June, 1988.

H.B. 2212

CHAPTER 1003

AN ACT TO INCORPORATE THE TOWN OF VARNAMTOWN;
SUBJECT TO A REFERENDUM.

The General Assembly of North Carolina enacts:

Section 1. A charter is enacted for the Town of Varnamtown to read:

"CHARTER

**FOR THE TOWN OF VARNAMTOWN, NORTH CAROLINA
CHAPTER I INCORPORATION**

Section 1.1 The Town of Varnamtown, in the County of Brunswick, of the State of North Carolina is hereby incorporated to be known as the Town of Varnamtown and is invested with all the powers, rights, privileges and immunities conferred and imposed on cities by the general law of North Carolina.

CHAPTER II BOUNDARIES

Section 2. 1. Until modified in accordance with law, the boundaries of the town are as follows: Beginning at Stanbury bridge on center line of state road #1119; thence south along the center line of state road #1119 to the intersection of state roads #1119 and #1120; thence westerly along the center line of state road #1120 to a point that intersects the north and south line on the west side of Bobby Caison's tract of land; thence southerly along Bobby Caison's line to Cecil Holden's northern boundary line; thence easterly along Cecil Holden's and Wilbur Holden's northern lines to the northern boundary line of Lockwood Folly Golf Links; thence along the Lockwood Folly Golf Links northern line to Lockwood Folly River; thence northerly along the contour of the old river to a point that divides Riverside #1 from Riverside #2; thence along the northern boundary line of Riverside #1 to Wilson Lancaster's line; thence along Wilson Lancaster's northern line to Ennis Swain's eastern line; thence along Ennis Swain's eastern line to Joe Singletary's northwest corner; thence due west to John T. Galloway's eastern, north-south line; thence along Ennis Swain's, John T. Galloway's, Mary Galloway's, Curtis Cumbee's lines to the northern right-of-way line of state road #1122; thence westerly along the northern right-of-way line of state road #1122 to Arthur Thompson's southeast corner; thence along the Ennis Swain and Arthur Thompson line to the center of Stanbury Creek; thence westerly along the center of Stanbury Creek to the point of beginning at Stanbury bridge.

CHAPTER III GOVERNING BODY

Section 3.1. The governing body of the Town of Varnamtown is the Board of Aldermen, which has five members, and the Mayor.

Section 3.2. Manner of electing town officials. The qualified voters of the entire town elect the members of the Board of Aldermen and the Mayor.

Section 3.3. Term of Office of Board members. At the regular municipal election in 1989, the two candidates for Town Aldermen receiving the highest number of votes shall be elected for a term of four years, and the three candidates receiving the next highest number of votes shall be elected for a term of two years. In the municipal election of 1991 and biennially thereafter, all Town Aldermen shall be elected for a term of four years as their terms expire. Municipal elections for Varnamtown shall be held in accordance with the general law.

Section 3.4. Election of Mayor: Term of Office. In 1989 and biennially thereafter, the qualified voters of the entire town elect the Mayor, for a two-year term of office.

CHAPTER IV ELECTIONS

Section 4.1. Town officers shall be elected on a non-partisan basis and the results determined by a plurality as provided in G.S. 163-292.

CHAPTER V ADMINISTRATION

Section 5.1. The Town of Varnamtown will operate under the mayor-council plan as provided in Part 3 of Article 7 of Chapter 160A of the General Statutes.

Section 5.2. All Aldermen and the Mayor, from the date of incorporation to the regular election of town officers in 1989 shall receive no salary for their services. Thereafter, elected officers of the Town may only receive a salary if the question on such compensation is submitted to a referendum which receives the affirmative vote of sixty percent (60%) of those voting on that question.

Section 5.3. Notwithstanding G.S. 160A-209, the property tax rate may not exceed ten cents (10¢) per one hundred dollars (\$100.00) appraised value of property subject to taxation, until modified by any election held under G.S. 160A-209(e), G.S. 160A-209(f), or under Chapter 159 of the General Statutes."

Sec. 2. Until the organizational meeting after the 1989 municipal election, Tracie Varnum shall be Mayor, and George Ennis Swain, Marion Davis, John David Dawson, Roger Robinson and Ada McDonald shall constitute the Board of Aldermen.

Sec. 3. Interim budget. The Board of Aldermen may adopt a budget ordinance for the 1988-89 fiscal year, following their qualification for office, without having to comply with the budget preparation and adoption timetable set out in the Local Government Budget and Fiscal Control Act. For the budget adopted for fiscal year 1988-89, property taxes may be paid at par within 90 days of adoption of the budget ordinance, and thereafter according to the schedule in G.S. 105-360 as if the taxes had been due on September 1, 1988.

Sec. 4. (a) The Brunswick County Board of Elections shall conduct an election on September 20, 1988, for the purpose of

submission to the qualified voters of the area described in Section 2.1 of the Charter of Varnamtown, the question of whether or not such area shall be incorporated as Varnamtown. Registration for the election shall be conducted in accordance with G.S. 163-288.2.

(b) In the election, the question on the ballot shall be:

"[] FOR Incorporation of Varnamtown

[] AGAINST Incorporation of Varnamtown".

Sec. 5. In such election, if a majority of the votes cast are not cast "FOR Incorporation of Varnamtown", then Sections 1 through 3 of this act shall have no force and effect.

Sec. 6. In such election, if a majority of the votes cast shall be cast "FOR Incorporation of Varnamtown" then Sections 1 through 3 of this act shall become effective on the date that the Brunswick County Board of Elections determines the result of the election.

Sec. 7. This act is effective upon ratification.

In the General Assembly read three times and ratified this the 28th day of June, 1988.

H.B. 2222

CHAPTER 1004

AN ACT TO MODIFY THE DISTRIBUTION OF PROFITS FROM THE OPERATION OF ALCOHOLIC BEVERAGE CONTROL STORES IN NORTHAMPTON COUNTY PERTAINING TO FINANCING OF LAW ENFORCEMENT.

The General Assembly of North Carolina enacts:

Section 1. Section 1 of Chapter 226 of the 1969 Session Laws as amended by Chapter 223 of the 1979 Session Laws reads as rewritten:

"Section 1. G.S. 18-57 is hereby amended by adding at the end thereof the following:

'After deducting from the gross receipts the amount necessary for the payment of all salaries and operating expenses and retaining a sufficient and proper working capital, as determined by the Board, the Northampton County Board of Alcoholic Control shall allocate and disburse quarterly, as determined by audit, the net profits derived from the operation of the stores, as follows:

1. ~~Fifteen per cent (15%) of the net profits, and not more than twenty percent (20%), of the net profits for the enforcement of the Alcoholic Beverage Control laws in Northampton County.~~

2. Twenty-five per cent (25%) of the remaining net profit shall be distributed among the incorporated municipalities of Northampton County in the percentage proportion that the population of each eligible municipality bears to the total population of all eligible

municipalities as indicated by the latest certified Federal Decennial Census.

3. The remaining net profit shall be paid into the General Fund of Northampton County.'"

Sec. 2. This act is effective upon ratification.

In the General Assembly read three times and ratified this the 28th day of June, 1988.

H.B. 2230

CHAPTER 1005

AN ACT TO INCORPORATE THE TOWN OF CEDAR POINT.

The General Assembly of North Carolina enacts:

Section 1. A Charter for the Town of Cedar Point is enacted to read:

"CHARTER OF THE TOWN OF CEDAR POINT.

"Chapter I.

"Incorporation and Corporate Powers.

"Section 1.1. Incorporation and corporate powers. The inhabitants of the Town of Cedar Point are a body corporate and politic under the name 'Town of Cedar Point'. Under that name they have all the powers, duties, rights, privileges, and immunities conferred and imposed upon cities by the general law of North Carolina.

"Chapter II.

"Corporate Boundaries.

"Sec. 2.1. Town Boundaries. Until modified in accordance with law, the boundaries of the Town of Cedar Point are as follows:

In Carteret County, Beginning at a concrete monument standing in the western margin of N.C. Secondary Road no. 1113, said monument being 182.63 feet north of a culvert under said road which is approximately 1151 feet north of the intersection of Secondary Road no. 1113 and N.C. Highway 24; thence from the above described point of beginning north 82 degrees 26 minutes west 1756.98 feet to an iron pipe in the run of a branch. Thence with said branch in a westerly direction to the head of Boat House Creek, thence with ordinary high water mark down the southern side of Boat House Creek to White Oak River, thence in a southwesterly direction with the ordinary high water mark to the south side of the southern bridge across White Oak River, thence with the ordinary high water mark of White Oak River in a southeasterly direction to Bogue Sound, thence with the ordinary high water mark of Bogue Sound to the western right of way of N.C. Highway 58, thence with the western right of way of N.C. Highway 58 in a northerly direction to a point, said point

being south 82 degrees 26 minutes east approximately 470 feet from the point of beginning, thence north 82 degrees 26 minutes west approximately 470 feet to the point and place of beginning.

"Chapter III.

"Governing Body.

"Sec. 3.1. Structure of governing body; number of members. The governing body of the Town of Cedar Point is the Town Council, which has four members.

"Sec. 3.2. Manner of electing board. The qualified voters of the entire Town elect the members of the Council.

"Sec. 3.3. Term of office of Council members. Members of the Town Council are elected to four-year terms, except at the initial election in 1989, the two highest vote getters shall be elected to four-year terms, and the next two highest vote-getters shall be elected to two-year terms.

"Sec. 3.4. Selection of Mayor; term of office. The qualified voters of the entire town elect the Mayor. A mayor shall be elected in 1989 and biennially thereafter for a two-year term.

"Chapter IV.

"Elections.

"Sec. 4.1. Conduct of Town elections. The Town Council shall be elected on a nonpartisan basis and the results determined by the plurality method as provided by G.S. 163-292.

"Chapter V.

"Administration.

"Sec. 5.1. Mayor-Council plan. The Town of Cedar Point operates under the Mayor-Council plan as provided by Part 3 of Article 7 of Chapter 160A of the General Statutes."

Sec. 2. Until members of the Town Council are elected in 1989 in accordance with the Town Charter and the law of North Carolina, Eibert A. Guthrie shall serve as Mayor and A.D. Ennett, Jr., William Aman, John R. Jones, and Harry Redfearn shall serve as members of the Town Council.

Sec. 3. From and after July 1, 1988, the citizens and property in the Town of Cedar Point shall be subject to municipal taxes levied for the year beginning July 1, 1988, and for that purpose the town shall obtain from Carteret County a record of property in the area herein incorporated which was listed for taxes as of January 1, 1988, and the businesses in the town shall be liable for privilege license tax from the effective date of the privilege license tax ordinance. The Town may adopt a budget ordinance for fiscal year 1988-89 without following the timetable in the Local Government Budget and Fiscal Control Act.

Sec. 4. This act shall become effective July 1, 1988.

In the General Assembly read three times and ratified this the 28th day of June, 1988.

H.B. 2238

CHAPTER 1006

AN ACT TO ALLOW THE GOLDSBORO-WAYNE AIRPORT AUTHORITY AND THE COUNTY OF DUPLIN AS TO AIRPORT PROPERTY TO ENTER INTO LONGER-TERM LEASES, AND TO ALLOW WAYNE COUNTY TO DISPOSE OF CERTAIN PROPERTY BY PRIVATE SALE.

The General Assembly of North Carolina enacts:

Section 1. Section 8(c) of Chapter 927, Session Laws of 1963, is amended by deleting "for a term not to exceed fifteen (15) years", and substituting, "for a term not to exceed 20 years".

Sec. 2. Section 8(d) of Chapter 927, Session Laws of 1963, is amended by deleting "for terms not to exceed fifteen (15) years", and substituting, "for terms not to exceed 20 years".

Sec. 3. Section 8(e) of Chapter 927, Session Laws of 1963, is amended by deleting "for a term not exceeding fifteen (15) years", and substituting, "for a term not exceeding 20 years".

Sec. 4. Section 8(f) of Chapter 927, Session Laws of 1963, is amended by deleting "for a term or terms not to exceed fifteen (15) years", and substituting, "for a term or terms not to exceed 20 years".

Sec. 5. Section 12 of Chapter 927, Session Laws of 1963, is amended by adding the following at the end: "To the extent that G.S. 63-53 requires that the Goldsboro-Wayne Airport Authority follow the provisions of G.S. 160A-272, G.S. 160A-272 shall be applied by substituting '20 years' for '10 years' in each place those words and figures appear." This section applies only to the Goldsboro-Wayne Airport Authority.

Sec. 6. (a) G.S. 160A-272 is amended by deleting "10 years" both places it appears and substituting "99 years".

(b) This section only applies to Duplin County, and as to Duplin County only applies to leases of property at the Duplin County (P.B. Raiford) Airport.

Sec. 7. The County of Wayne, notwithstanding the provisions of Article 12 of Chapter 160A of the General Statutes, may dispose of at private sale to Wayne Action Group for Economic Solvency, Inc., with or without monetary consideration, any or all of its right, title, and/or interest to the following described property:

Beginning at a point in the southern right of way of Walnut Street, said point being located N. 71 degrees 45 minutes W. 105 feet westwardly from the southwest intersection of Slocumb and Walnut

Streets, and runs thence southwardly and with the lines of Harold McCullough and wife and Claude Rush and wife 190 feet to a point, Claude Rush's southwestern corner; thence eastwardly and with Rush's southern line 103.13 feet to a point in the western edge of Slocumb Street; thence southwardly along the western edge of Slocumb Street 261.5 feet to a point in the northwest intersectional corner of Slocumb and Chestnut Streets; thence westwardly and with the northern edge of Chestnut Street 390.5 feet to a point; thence leaving the edge of Chestnut Street, northwardly and parallel with Kornegay Street 248 feet to a point; thence westwardly 39 feet to a point; thence northwardly 14.4 feet to a point; thence S. 69 degrees 29 minutes 8 seconds E. 69.97 feet to a point; thence N. 18 degrees 25 minutes 29 seconds E. 176.82 feet to an iron stake in the southern right of way of Walnut Street; thence eastwardly along the southern edge of Walnut Street 171.5 feet to the point of beginning. And being all of the former site of Walnut Street School, and being all the land formerly owned by the Goldsboro City Board of Education in the block bounded by Walnut, Slocumb, Chestnut, and Kornegay Streets in the City of Goldsboro.

Sec. 8. This act is effective upon ratification.

In the General Assembly read three times and ratified this the 28th day of June, 1988.

H.B. 2270

CHAPTER 1007

**AN ACT TO INCORPORATE THE TOWN OF SANDY CREEK;
SUBJECT TO A REFERENDUM.**

The General Assembly of North Carolina enacts:

Section 1. A charter is enacted for the Town of Sandy Creek to read:

"CHARTER

**FOR THE TOWN OF SANDY CREEK, NORTH CAROLINA
CHAPTER I INCORPORATION**

Section 1.1. The Town of Sandy Creek, in the County of Brunswick, of the State of North Carolina is hereby incorporated to be known as the Town of Sandy Creek and is invested with all the powers, rights, privileges and immunities conferred and imposed on cities by the general law of North Carolina.

CHAPTER II BOUNDARIES

Section 2.1. Until modified in accordance with law, the boundaries of the Town are as follows:

Beginning at an Old Stone marking the northwestern corner of Parcel #6 (Tax Map #14) owned by N.C. Pulp Company (reference

Deed Book 519 at Page 623 of the Brunswick County Registry; said Stone being located South 44 degrees 18 minutes 05 seconds East 959.15 feet from an Iron Pipe (found), such pipe being approximately 3 inches in diameter and marks the southwestern corner of Parcel #9 (Tax Map #14) conveyed to Tammy Maria Skipper and her guardian Betty M. Jackson by deed duly recorded in Deed Book 391 at Page 30 of the aforesaid registry; said pipe being in the northern right of way line (new R/W Line) of U.S. Highway 74-76 (allowing 187 feet in width as measured from northern line of the old abandoned Railroad to the new northern line of said Highway) (former) width of Highway was 50 feet) and is located at the following N.C. Grid Coordinates: Y=197,241.02 and X=2,255,843.21; said stone further being located in the southern right of way line of the formerly Atlantic Coastline Railroad (abandoned) (allowing 130 feet in width) as the same is shown on a map entitled, "Boundary Survey Map of Sandy Creek, N.C. (Proposed)", and is recorded in Map Book and/or Cabinet _____ at Page _____ of the aforesaid Registry. runs thence from the "Point of Beginning" as described with and along the north westerly line of Parcel #17 (reference Deed Book 606 at Page 418 of the Brunswick County Registry) owned by George D. Young, such line crosses the railroad right of way at a right angle, North 26 degrees 24 minutes East One Hundred Thirty and 0/10 feet to a point in the northern line of said railroad; runs thence with and along the northern line of said railroad South 63 degrees 36 minutes East 292.67 feet to a point in said right of way; runs thence and leaving said railroad right of way and crossing the right of way of U.S. Highway 74-76 North 30 degrees 41 minutes 50 seconds East 187.52 feet to an Iron Rod (found) in the northern right of way line (new) of said highway, such rod marks the new southwesterly corner of Parcel #12.02 (Tax Map #14) as owned by Wade C. Skipper and described in a deed recorded in Book 438 at Page 191 of the aforesaid registry; runs thence and continuing along Wade C. Skipper's westerly line North 30 degrees 41 minutes 50 seconds East Eight Hundred Ninety and 58/100 (890.58) feet to an old Stone (called for) marking the northwesterly corner of said Parcel #12.02; runs thence with and along the northern line of said parcel South 58 degrees 48 minutes 22 seconds East 535.59 feet to an old stone (called for); runs thence with and along Wade Skipper's northeasterly line South 14 degrees 50 minutes 30 seconds East 440 feet to a point at the northwesterly corner of Parcel #12.01 (Tax Map #14) owned by Samuel K. Caines, Jr. and described in a deed recorded in Book 682 at Page 629 of the aforesaid registry; runs thence with and along Caines' northern line South 56 degrees 40 minutes East 1044 feet, more or less, to an Old Stone (called for); runs thence with and along the southeastern line of Caines' Property

South 26 degrees 36 minutes 25 seconds West 72.44 feet, more or less, to a point marking the northwesterly corner of Parcel #35 (Tax Map #15) owned by Joseph Alonzo Moore, Jr. and described in that certain deed recorded in Book 172 at Page 247 of the aforesaid registry; runs thence with and along Moore's northerly line approximately South 63 degrees 36 minutes East 585 feet, more or less, to a point, his northeasterly corner; runs thence with and along Moore's southeasterly line approximately South 26 degrees 24 minutes West 453 feet to a point in the northerly right of way line (old) (allowing 50 feet in width) of said Highway 74-76, passing over said Highway's new right of way line (northerly) at a distance of 316 feet, more or less; runs thence and continuing same course (50) feet to a point in the southerly line of said highway and the northerly right of way line of the hereinbefore mentioned railroad; runs thence with and along the northerly line of said railroad South 63 degrees 36 minutes East 1091.95 feet, more or less, to a point; runs thence and crossing said railroad right of way at a right angle South 26 degrees 24 minutes West One Hundred Thirty (130) feet to an Iron Stake (called for) in a pond, such marking the southern line of said railroad and the northeasterly corner of Sandy Creek Acres East; runs thence and leaving said railroad and running with and along the line of Sandy Creek Acres East South 26 degrees 11 minutes West 2477.51 feet to a Control Corner, the same being shown on the aforesaid map of Sandy Creek, N.C. (proposed); runs thence North 89 degrees 19 minutes West 925.0 feet; runs thence North 00 degrees 41 minutes East 325.0 feet to a point in the run of a Branch marking the common corner of Sandy Creek Acres East and Sandy Creek Acres as the same are shown on those maps duly recorded in Map Cabinet 'M' at Page 290 and Map Cabinet 'M' at Page 111 respectively; runs thence with and along the boundary lines of Sandy Creek Acres South 26 degrees 38 minutes 50 seconds West 983.0 feet; runs thence South 81 degrees 03 minutes 47 seconds West Five Hundred Twelve and 0/10 (512.0) feet; runs thence North 83 degrees 12 minutes 38 seconds West 562.0 feet; runs thence North 61 degrees 42 minutes 38 seconds West One Thousand Nine Hundred Ninety (1990) feet; runs thence South 68 degrees 27 minutes 22 seconds West 120.0 feet; runs thence North 29 degrees 48 minutes 47 seconds West 426.71 feet to a Stone (called for) marking the westerly most corner of said Sancy Creek Acres; runs thence North 30 degrees 58 minutes 47 seconds West 300.3 feet to a Stone (called for); runs thence North 03 degrees 01 minute 13 seconds West 1237.5 feet to a Stone (called for) marking the westerly most corner of a Tract known as The Lee Tract owned by Riegel Paper Corporation (Map #12067-Riegel's Map filing system); runs thence North 83 degrees 56 minutes 13 seconds East 1182 feet, more

or less, to a Stone (called for) marking the southwesterly corner of Parcel #6 (Tax Map #14) owned by N.C. Pulp Company; runs thence with and along the northwesterly line of said Pulp Company's Property North 37 degrees 30 minutes East 1585 feet, more or less, to the "Point of Beginning", containing 425 Acres, more or less, and being drawn (on the aforesaid map) and written from data obtained from deeds and maps as referenced on the face of said map of Sandy Creek, N. C. The foregoing description prepared in the office of Jerold W. Lewis, Registered Land Surveyor, N.C. Registration Number L-2589 on or about May 30, 1988 for Mr. Ernest Grainger, a duly authorized representative of Sandy Creek, N. C.

CHAPTER III GOVERNING BODY

Section 3.1. The governing body of the Town of Sandy Creek is the Council, which has five members.

Section 3.2. Manner of electing town officials. The qualified voters of the entire town elect the members of the Council.

Section 3.3. Term of Office of Council members. At the regular municipal election in 1989, the three candidates for Town Council receiving the highest number of votes shall be elected for a term of four years, and the two candidates receiving the next highest number of votes shall be elected for a term of two years. In the municipal election of 1991 and biennially thereafter, Town Council members shall be elected for a term of four years as their terms expire. Municipal elections for Sandy Creek shall be held in accordance with the general law.

Section 3.4. Selection of Mayor: Term of Office. The Mayor shall be selected by the council from among its membership to serve at its pleasure. The Mayor has the right to vote on all matters before the council, but has no right to break a tie vote in which he has participated.

CHAPTER IV ELECTIONS

Section 4.1. Town officers shall be elected on a non-partisan basis and the results determined by a plurality as provided in G.S. 163-292.

CHAPTER V ADMINISTRATION

Section 5.1. The Town of Sandy Creek will operate under the mayor-council plan as provided in Part 3 of Article 7 of Chapter 160A of the General Statutes."

Sec. 2. Until the organizational meeting after the 1989 municipal election, Don Minnis, Harold Caffee, Donald Hamilton, Buddy Grainger, and Buddy Millinor shall serve as the Town Council.

Sec. 3. Interim budget. The Council may adopt a budget ordinance for the 1988-89 fiscal year, following their qualification for office, without having to comply with the budget preparation and

adoption timetable set out in the Local Government Budget and Fiscal Control Act. For the budget adopted for fiscal year 1988-89, property taxes may be paid at par within 90 days of adoption of the budget ordinance, and thereafter according to the schedule in G.S. 105-360 as if the taxes had been due on September 1, 1988.

Sec. 4. (a) The Brunswick County Board of Elections shall conduct an election on September 20, 1988, for the purpose of submission to the qualified voters of the area described in Section 2.1 of the Charter of Sandy Creek, the question of whether or not such area shall be incorporated as Sandy Creek. Registration for the election shall be conducted in accordance with G.S. 163-288.2.

(b) In the election, the question on the ballot shall be:

"[] FOR Incorporation of Sandy Creek

[] AGAINST Incorporation of Sandy Creek".

Sec. 5. In such election, if a majority of the votes cast are not cast "FOR Incorporation of Sandy Creek", then Sections 1 through 3 of this act shall have no force and effect.

Sec. 6. In such election, if a majority of the votes cast shall be cast "FOR Incorporation of Sandy Creek" then Sections 1 through 3 of this act shall become effective on the date that the Brunswick County Board of Elections determines the result of the election.

Sec. 7. This act is effective upon ratification.

In the General Assembly read three times and ratified this the 28th day of June, 1988.

H.B. 2278

CHAPTER 1008

AN ACT TO AUTHORIZE CRAVEN COUNTY TO APPOINT A SPECIAL BOARD OF EQUALIZATION AND REVIEW.

The General Assembly of North Carolina enacts:

Section 1. G.S. 105-322(a) reads as rewritten:

"(a) Personnel. -- Except as otherwise provided herein, the board of equalization and review of each county shall be composed of the members of the board of county commissioners.

Upon the adoption of a resolution so providing, the board of commissioners is authorized to appoint a special board of equalization and review to carry out the duties imposed under this section. The resolution shall provide for the membership, qualifications, terms of office and the filling of vacancies on the board. The board of commissioners shall also designate the chairman of the special board. The resolution shall be adopted not later than the first Monday in ~~March~~ May of the first year for which it is to be effective and shall continue in effect for that year and all subsequent years until revised

or rescinded. It shall be entered in the minutes of the meeting of the board of commissioners and a copy thereof shall be forwarded to the Department of Revenue within 15 days after its adoption.

Nothing in this subsection (a) shall be construed as repealing any law creating a special board of equalization and review or creating any board charged with the duties of a board of equalization and review in any county."

Sec. 2. This act applies only to Craven County. All acts taken by the body designated as the Craven County Board of Equalization and Review before the effective date of this act are validated.

Sec. 3. This act is effective upon ratification and applies retroactively to March 1, 1988.

In the General Assembly read three times and ratified this the 28th day of June, 1988.

H.B. 2337

CHAPTER 1009

AN ACT TO AUTHORIZE MUNICIPALITIES WITHIN
GUILFORD COUNTY TO ENTER INTO AGREEMENTS
CONCERNING ANNEXATIONS.

The General Assembly of North Carolina enacts:

Section 1. It is the purpose of this act to authorize municipalities within Guilford County to enter into agreements concerning annexation in order to enhance planning by such municipalities as well as residents and property owners in areas adjacent to such municipalities.

Sec. 2. The words defined in this section shall have the meanings indicated when used in this act:

(a) "Annexation" means any extension of a municipality's corporate limits as authorized by Article 4A of Chapter 160A of the General Statutes, the charter of the municipality, or any local act applicable to the municipality, as such statutory authority exists now or is hereafter amended.

(b) "Agreement" means any written agreement authorized by this act.

(c) "Municipality" means any city as defined by G.S. 160A-1.

Sec. 3. Two or more municipalities may enter into agreements with each other to designate one or more areas which are not subject to annexation by one or more of the participating municipalities. Prior to approval of any such agreement, there shall be opportunity for public input by affected property owners at a hearing after 30 days public notice. The agreements shall be of reasonable duration, but not to exceed 30 years, and shall be approved by resolution of the

governing board and executed by the mayor of each municipality and spread upon its minutes.

Sec. 4. (a) The agreement shall:

- (1) State the duration of the agreement.
- (2) Describe clearly the area or areas subject to the agreement. The boundaries of such area or areas may be established at such locations as the participating municipalities shall agree. Thereafter, any participating municipality may follow those boundaries in annexing any property, whether or not those boundaries follow roads or natural topographical features.
- (3) Specify one or more participating municipalities which may not annex the area or areas described in the agreement.
- (4) State the effective date of the agreement.
- (5) Require each participating municipality which proposes any annexation to give written notice to the other participating municipality or municipalities of the annexation at least 30 days before the adoption of any annexation ordinance.
- (6) Include any other necessary or proper matter.

(b) The written notice required by subdivision (a)(5) above shall describe the area to be annexed by a legible map, clearly and accurately showing the boundaries of the area to be annexed in relation to: the area or areas described pursuant to subdivision (9a)(2) of this section, roads, streams and any other prominent geographical features. Such notice shall not be effective for more than 180 days.

Sec. 5. From and after the effective date of the agreement, no participating municipality may consider in any manner the annexation of any area in violation of this act or the agreement. From and after the effective date of the agreement, no participating municipality may annex all or any portion of any area in violation of this act or the agreement.

Sec. 6. Nothing in this act shall be construed to authorize the annexation of any area which is not otherwise subject to annexation under applicable law, except G.S. 160A-58.1(b)(2) shall not apply.

Sec. 7. (a) Each provision of the agreement shall be binding upon the parties thereto. A participating municipality which believes that another participating municipality is violating this act or the agreement may file a petition in the Superior Court of Guilford County seeking review of the action of the municipality alleged to have violated this act or the agreement.

(b) Within five days after the petition is filed with the court, the petitioning municipality shall serve copies of the petition by certified mail, return receipt requested, upon the respondent municipality.

(c) Within 15 days after receipt of the copy of the petition for

review, or within such additional time as the court may allow, the respondent municipality shall transmit to the reviewing court:

- (1) A transcript of the portions of the municipal journal or minute book in which the procedure for annexation has been set forth;
- (2) A copy of any other document received or approved by the respondent municipality's governing board as part of the annexation.

(d) The court shall fix the date for review of the petition so that review shall be expeditious and without unnecessary delays. The review shall be conducted by the court without a jury. The court may hear oral arguments and receive written briefs, and may take evidence intended to show either:

- (1) That the provisions of this act were not met; or
- (2) That the provisions of the agreement were not met.

(e) Upon a finding that the respondent municipality has not violated this act or the agreement, the court may affirm the action of the respondent municipality without charge. Upon a finding that the respondent municipality has violated this act or the agreement, the court may:

- (1) Remand to the respondent municipality's governing board any ordinance adopted pursuant to Parts 2 or 3, Article 4A of Chapter 160A of the General Statutes, as the same exists now or is hereafter amended, for amendment of the boundaries, or for such other action as is necessary, to conform to the provisions of this act and the agreement.
- (2) Declare any annexation begun pursuant to any other applicable law to be null and void.

If the respondent municipality shall fail to take action in accordance with the court's instructions upon remand under subdivision (e)(1) of this section within three months from receipt of such instructions, the annexation proceeding shall be deemed null and void.

(f) Any participating municipality which is a party to the review proceedings may appeal from the final judgment of the superior court under rules of procedure applicable in other civil cases. The appealing party may apply to superior court for a stay in its final determination, or a stay of the annexation ordinance, whichever shall be appropriate, pending the outcome of the appeal to the appellate division; provided, that the superior court may, with the agreement of the parties, permit annexation to be effective with respect to any part of the area concerning which no appeal is being made and which can be incorporated into the respondent municipality without regard to any part of the area concerning which an appeal is being made.

(g) If part or all of the area annexed under the terms of a

challenged annexation ordinance is the subject of an appeal to the superior court or appellate division on the effective date of the ordinance, then the ordinance shall be deemed amended to make the effective date with respect to such area the date of the final judgment of the superior court or appellate division, whichever is appropriate, or the date the respondent municipality's governing board completes action to make the ordinance conform to the court's instructions in the event of remand.

(h) This act does not authorize any court to stay any annexation proceeding, except as specifically set forth in subsections (f) and (g) of this section.

Sec. 8. This act shall apply only to municipalities located wholly or partly in Guilford County.

Sec. 9. This act is effective upon ratification.

In the General Assembly read three times and ratified this the 28th day of June, 1988.

H.B. 2338

CHAPTER 1010

AN ACT TO AUTHORIZE ACCEPTANCE OF IRREVOCABLE LETTERS OF CREDIT IN LIEU OF PERFORMANCE BONDS RELATING TO THE LETTING OF PERFORMANCE BONDS RELATING TO THE LETTING OF PUBLIC CONTRACTS BY THE CITY OF GREENSBORO AND GUILFORD COUNTY.

The General Assembly of North Carolina enacts:

Section 1. G.S. 44A-26(a) reads as rewritten:

"§ 44A-26. *Bonds required.*--(a) When the total amount of construction contracts awarded for any one project exceeds ~~thirty thousand dollars (\$30,000)~~ fifty thousand dollars (\$50,000) a performance and payment bond as set forth in (1) and (2) is required by the contracting body from any contractor with a contract more than fifteen thousand dollars (\$15,000). In the discretion of the contracting body, a performance and payment bond may be required on any construction contract as follows:

- (1) A performance bond in the amount of one hundred percent (100%) of the construction contract amount, conditioned upon the faithful performance of the contract in accordance with the plans, specifications and conditions of the contract. Such bond shall be solely for the protection of the contracting body which awarded the contract.
- (2) A payment bond in the amount of one hundred percent (100%) of the construction contract amount, conditioned upon the prompt payment for all labor or materials for

which a contractor or subcontractor is liable. The payment bond shall be solely for the protection of the persons furnishing materials or performing labor for which a contractor or subcontractor is liable."

Sec. 2. G.S. 143-129 reads as rewritten:

"§ 143-129. *Procedure for letting of public contracts; purchases from federal government by State, counties, etc.*--No construction or repair work requiring the estimated expenditure of public money in an amount equal to or more than fifty thousand dollars (\$50,000) or purchase of apparatus, supplies, materials, or equipment requiring an estimated expenditure of public money in an amount equal to or more than ten thousand dollars (\$10,000), except in cases of group purchases made by hospitals through a competitive bidding purchasing program or in cases of special emergency involving the health and safety of the people or their property, shall be performed, nor shall any contract be awarded therefor, by any board or governing body of the State, or of any institution of the State government, or of any county, city, town, or other subdivision of the State, unless the provisions of this section are complied with. For purposes of this Article, a competitive bidding group purchasing program is a formally organized program that offers purchasing services at discount prices to two or more hospital facilities. The limitation contained in this paragraph shall not apply to construction or repair work undertaken during the progress of a construction or repair project initially begun pursuant to this section. Further, the provisions of this section shall not apply to the purchase of gasoline, diesel fuel, alcohol fuel, motor oil or fuel oil. Such purchases shall be subject to G.S. 143-131.

Advertisement of the letting of such contracts shall be as follows:

Where the contract is to be let by a board or governing body of the State government, or of a State institution, as distinguished from a board or governing body of a subdivision of the State, proposals shall be invited by advertisement at least one week before the time specified for the opening of said proposals in a newspaper having general circulation in the State of North Carolina. Provided that the advertisements for bidders required by this section shall be published at such a time that at least seven full days shall lapse between the date of publication of notice and the date of the opening of bids.

Where the contract is to be let by a county, city, town or other subdivision of the State, proposals shall be invited by advertisement at least one week before the time specified for the opening of said proposals in a newspaper having general circulation in such county, city, town or other subdivision.

Such advertisement shall state the time and place where plans and specifications of proposed work or a complete description of the

apparatus, supplies, materials or equipment may be had, and the time and place for opening of the proposals, and shall reserve to said board or governing body the right to reject any or all such proposals.

Proposals shall not be rejected for the purpose of evading the provisions of this Article. No board or governing body of the State or subdivision thereof shall assume responsibility for construction or purchase contracts, or guarantee the payments of labor or materials therefor except under provisions of this Article.

All proposals shall be opened in public and shall be recorded on the minutes of the board or governing body and the award shall be made to the lowest responsible bidder or bidders, taking into consideration quality, performance and the time specified in the proposals for the performance of the contract. In the event the lowest responsible bids are in excess of the funds available for the project, the responsible board or governing body is authorized to enter into negotiations with the lowest responsible bidder above mentioned, making reasonable changes in the plans and specifications as may be necessary to bring the contract price within the funds available, and may award a contract to such bidder upon recommendation of the Department of Administration in the case of the State government or of a State institution or agency, or upon recommendation of the responsible commission, council or board in the case of a subdivision of the State, if such bidder will agree to perform the work at the negotiated price within the funds available therefor. If a contract cannot be let under the above conditions, the board or governing body is authorized to readvertise, as herein provided, after having made such changes in plans and specifications as may be necessary to bring the cost of the project within the funds available therefor. The procedure above specified may be repeated if necessary in order to secure an acceptable contract within the funds available therefor.

No proposal shall be considered or accepted by said board or governing body unless at the time of its filing the same shall be accompanied by a deposit with said board or governing body of cash, or a cashier's check, or a certified check on some bank or trust company insured by the Federal Deposit Insurance Corporation in an amount equal to not less than five percent (5%) of the proposal. In lieu of making the cash deposit as above provided, such bidder may file a bid bond executed by a corporate surety licensed under the laws of North Carolina to execute such bonds, conditioned that the surety will upon demand forthwith make payment to the obligee upon said bond if the bidder fails to execute the contract in accordance with the bid bond. This deposit shall be retained if the successful bidder fails to execute the contract within 10 days after the award or fails to give satisfactory surety as required herein.

Bids shall be sealed if the invitation to bid so specifies and, in any event, the opening of a bid or the disclosure or exhibition of the contents of any bid by anyone without the permission of the bidder prior to the time set for opening in the invitation to bid shall constitute a general misdemeanor.

All contracts to which this section applies shall be executed in writing, and the board or governing body shall require the person to whom the award of contract is made to furnish bond as required by Article 3 of Chapter 44A; or require a deposit of money, certified check ~~or~~, government securities or irrevocable letter of credit for the full amount of said contract to secure the faithful performance of the terms of said contract and the payment of all sums due for labor and materials in a manner consistent with Article 3 of Chapter 44A; and no such contract shall be altered except by written agreement of the contractor, the sureties on his bond, and the board or governing body. Such surety bond, letter of credit, or deposit required herein shall be deposited with the board or governing body for which the work is to be performed. When a deposit, other than a surety bond, or irrevocable letter of credit is made with the board or governing body, said board or governing body assumes all the liabilities, obligations and duties of a surety as provided in Article 3 of Chapter 44A to the extent of said deposit. In the case of contracts for the purchase of apparatus, supplies, materials, or equipment, the board or governing body may waive the requirement for a surety bond, letter of credit, or other deposit.

The owning agency or the Department of Administration, in contracts involving a State agency, and the owning agency or the governing board, in contracts involving a political subdivision of the State, may reject the bonds of any surety company against which there is pending any unsettled claim or complaint made by a State agency or the owning agency or governing board of any political subdivision of the State arising out of any contract under which State funds, in contracts with the State, or funds of political subdivisions of the State, in contracts with such political subdivision, were expended, provided such claim or complaint has been pending more than 180 days.

Nothing in this section shall operate so as to require any public agency to enter into a contract which will prevent the use of unemployment relief labor paid for in whole or in part by appropriations or funds furnished by the State or federal government.

Any board or governing body of the State or any institution of the State government or of any county, city, town, or other subdivision of the State may enter into any contract with (i) the United States of America or any agency thereof, or (ii) any other government unit or agency thereof within the United States, for the purchase, lease, or

other acquisition of any apparatus, supplies, materials, or equipment without regard to the foregoing provisions of this section or to the provisions of any other section of this Article.

The Secretary of Administration or the governing board of any county, city, town, or other subdivision of the State may designate any officer or employee of the State, county, city, town or subdivision to enter a bid or bids in its behalf at any sale of apparatus, supplies, materials, equipment or other property owned by (i) the United States of America or any agency thereof, or (ii) any other governmental unit or agency thereof within the United States, and may authorize such officer or employee to make any partial or down payment or payment in full that may be required by regulations of the government or agency disposing of such property."

Sec. 3. This act applies only to the City of Greensboro and to Guilford County.

Sec. 4. This act is effective upon ratification.

In the General Assembly read three times and ratified this the 28th day of June, 1988.

H.B. 2341

CHAPTER 1011

AN ACT TO AMEND THE CHARTER OF THE CITY OF GREENSBORO.

The General Assembly of North Carolina enacts:

Section 1. The second paragraph of Section 4.51 of the Charter of the City of Greensboro, as set forth in Section 1 of Chapter 1137 of the 1959 Session Laws and as amended by Section 8 of Chapter 686 of the 1961 Session Laws and as amended by Section 14 of Chapter 213 of the 1973 Session Laws, is amended by deleting "taxes,".

Sec. 2. Section 4.91(b)(7) of the Charter of the City of Greensboro, as set forth in Section 1 of Chapter 1137 of the 1959 Session Laws and as amended by Section 10 of Chapter 686 of the 1961 Session Laws reads as rewritten:

"(7) Benefits payable under hospitalization insurance arising out of the hospitalization of a retired employee or the dependent of a retired employee after his retirement under either the Local Governmental Employees Retirement System, the State Law Enforcement Officers Benefit and Retirement System or the Federal Social Security System, or any combination thereof; provided that the full cost of continuing such coverage after retirement ~~shall be paid by the employee~~ may be paid by the City of Greensboro, the retired employee, or by the City and the retired employee, jointly."

Sec. 3. This act is effective upon ratification.

In the General Assembly read three times and ratified this the 28th day of June, 1988.

H.B. 2355

CHAPTER 1012

AN ACT TO INCORPORATE THE TOWN OF SANTEETLAH.

The General Assembly of North Carolina enacts:

Section 1. The Charter of the Town of Santeetlah is enacted to read:

"THE CHARTER OF THE TOWN OF SANTEETLAH.

"ARTICLE I.

"INCORPORATION AND CORPORATE POWERS.

"Sec. 1.1. Incorporation and Corporate Powers. The inhabitants of the Town of Santeetlah are a body corporate and politic under the name of the 'Town of Santeetlah'. Under that name they have all the powers, duties, rights, privileges and immunities conferred and imposed on cities by the general law of North Carolina.

"ARTICLE II.

"CORPORATE BOUNDARIES.

"Sec. 2.1. Corporate Boundaries. The corporate boundaries of the Town of Santeetlah shall be as follows until changed in accordance with law:

BEING in Cheoah Township, Graham County, North Carolina, according to a plat of survey, titled Smokey Mountain Resort Inc. dated November 4, 1963, by James T. Harron, RLS, L-907, and being more particularly described as follows:

BEGINNING on a concrete monument on the south side of North Carolina State Road 1147 and running thence;

S 49-14 E, 241.00 feet to a concrete monument.

Thence; S 49-14 E, 43.90 feet to a concrete monument in the 1817 contour of Lake Santeetlah (Tapoco datum) thence with the 1817 contour the following courses and distances;

- | | |
|------------------------|------------------------|
| S 30-03 W 29.73 feet; | S 87-07 W 137.55 feet; |
| N 69-43 W 157.40 feet; | S 83-37 W 47.00 feet; |
| S 55-42 W 54.48 feet; | S 44-49 E 134.95 feet; |
| S 42-48 E 40.94 feet; | S 20-08 E 66.13 feet; |
| S 15-58 E 66.13 feet; | S 15-58 E 85.95 feet; |
| S 1-37 W 148.55 feet; | S 61-54 W 54.92 feet; |
| S 72-37 W 107.10 feet; | S 77-55 W 101.70 feet; |
| S 56-52 W 45.30 feet; | S 27-50 W 36.17 feet; |
| S 53-40 W 61.15 feet; | N 29-50 W 58.64 feet; |
| N 50-17 W 61.40 feet; | N 83-08 W 103.20 feet; |

N 25-07 W 44.19 feet;	N 57-47 W 49.21 feet;
S 49-34 W 42.10 feet;	S 58-50 W 45.10 feet;
N 73-36 W 69.40 feet;	N 74-16 W 133.10 feet;
S 60-44 W 54.00 feet;	S 18-34 W 61.60 feet;
S 1-20 W 84.45 feet;	S 0-36 W 63.25 feet;
S 22-35 W 85.62 feet;	S 9-33 W 79.58 feet;
S 26-38 W 77.05 feet;	S 63-33 W 62.30 feet;
S 88-18 W 59-02 feet;	S 47-44 W 49.85 feet;
S 9-22 W 35.59 feet;	S 20-42 E 57.43 feet;
S 32-16 E 48.40 feet;	S 7-40 W 150.61 feet;
S 89-29 W 37.85 feet;	N 62-12 W 77.19 feet;
N 24-29 W 98.85 feet;	N 84-41 W 61.95 feet;
S 57-25 W 139.00 feet;	S 46-43 W 56.75 feet;
S 6-29 W 61.40 feet;	S 30-21 W 77.70 feet;
S 9-31 W 64.05 feet;	S 71-01 W 36.50 feet;
N 67-18 W 50.20 feet;	N 28-37 W 63.75 feet;
N 87-58 W 169.95 feet;	S 46-02 W 92.55 feet;
S 24-50 W 73.79 feet;	S 80-15 W 39.53 feet;
N 70-26 W 57.25 feet;	N 47-13 W 80.24 feet;
S 35-22 W 91.27 feet;	S 68-29 W 37.17 feet;
N 51-27 W 63.97 feet;	N 71-47 W 106.26 feet;
N 47-41 W 73.41 feet;	S 86-03 W 68.14 feet;
S 55-13 W 96.80 feet;	S 16-38 W 80.65 feet;
N 65-25 W 111.21 feet;	S 81-39 W 43.36 feet;
S 60-31 W 73.62 feet;	S 68-28 W 114.91 feet;
N 81-49 W 77.76 feet;	S 53-58 W 173.29 feet;
S 87-28 W 77.00 feet;	N 73-58 W 48.02 feet;
S 89-41 W 109.25 feet;	S 42-14 W 112.97 feet;
S 22-32 W 45.88 feet;	S 34-45 W 47.90 feet;
S 64-48 W 76.99 feet;	S 67-20 W 95.84 feet;
S 68-25 W 61.84 feet;	S 82-33 W 96.56 feet;
S 77-37 W 94.62 feet;	S 88-43 W 68.85 feet;
S 72-17 W 64.20 feet;	N 57-03 W 57.50 feet;
N 42-41 W 107.66 feet;	N 70-35 E 42.65 feet;
N 78-26 E 105.44 feet;	N 41-09 E 102.70 feet;
N 16-46 W 79.29 feet;	N 58-32 W 44.02 feet;
N 50-00 W 55.29 feet;	N 29-20 W 54.80 feet;
N 14-13 W 81.65 feet;	N 43-43 W 55.39 feet;
N 21-53 W 40.17 feet;	N 55-04 E 45.31 feet;
N 87-05 E 43.17 feet;	S 81-15 E 100.66 feet;
S 85-21 E 73.00 feet;	N 43-21 E 89.74 feet;
N 55-12 E 68.18 feet;	N 18-26 E 63.62 feet;
N 4-03 W 90.96 feet;	N 46-40 W 42.22 feet;
N 75-44 W 139.88 feet;	N 52-50 W 33.23 feet;

N 26-30 W 46.65 feet;	N 6-20 E 123.60 feet;
N 64-19 W 58.95 feet;	N 40-05 W 36.74 feet;
N 22-51 E 89.70 feet;	N 0-23 W 66.89 feet;
N 65-25 W 78.79 feet;	N 39-03 W 112.20 feet;
N 2-18 W 76.80 feet;	N 88-17 W 41.85 feet;
N 80-26 W 48.20 feet;	N 59-28 W 141.43 feet;
N 51-33 W 191.60 feet;	N 22-21 W 69.19 feet;
N 47-49 W 71.31 feet;	N 72-27 W 96.08 feet;
N 66-53 W 65.25 feet;	N 56-18 E 50.33 feet;
N 74.47 E 172.41 feet;	S 78-39 E 34.32 feet;
S 65-16 E 85.10 feet;	S 56-48 E 42.83 feet;
S 39-28 E 185.76 feet;	N 77-28 E 49.90 feet;
N 35-58 E 149.75 feet;	N 60-08 E 48.49 feet;
S 69-02 E 36.38 feet;	S 46-04 E 173.15 feet;
S 87-08 E 38.16 feet;	N 22-28 E 77.34 feet;
N 50-58 E 34.43 feet;	S 43-37 E 133.35 feet;
S 82-40 E 34.92 feet;	N 20-35 E 85-87 feet;
N 29-46 E 53.61 feet;	N 84-28 E 24.69 feet;
S 53-53 E 38.09 feet;	S 16-08 E 62.24 feet;
S 22-31 E 98.00 feet;	S 53-22 E 60.44 feet;
N 67-31 E 39.66 feet;	N 41-00 E 147.29 feet;
N 45-06 E 33.21 feet;	N 68-28 E 16.75 feet;
S 24-23 E 66.14 feet;	S 43-47 E 55.60 feet;
N 78-38 E 53.74 feet;	N 53-32 E 92.45 feet;
N 53-37 E 98.01 feet;	S 46-07 E 51.30 feet;
S 37-26 E 145.45 feet;	S 84-06 E 51.49 feet;
N 31-48 E 94.04 feet;	N 34-08 E 77.62 feet;
N 61-38 E 57.60 feet;	N 83-58 E 40.13 feet;
S 52-30 E 30.16 feet;	S 40-13 E 106.10 feet;
S 57-14 E 30.13 feet;	N 67-46 E 51.00 feet;
N 31-04 E 50.85 feet;	N 10-46 E 97.22 feet;
N 25-25 E 36.59 feet;	N 53-24 E 35.42 feet;
N 72-08 E 48.00 feet;	S 85-37 E 48-01 feet;
S 85-37 E 48.01 feet;	S 50-40 E 21.48 feet;
S 23-35 E 34.38 feet;	S 28-25 E 66.66 feet;
S 83-07 E 40.27 feet;	N 66-04 E 72.28 feet;
S 84-07 E 29.02 feet;	S 70-42 E 59.60 feet;
N 56-48 E 140.20 feet;	N 72-51 E 58.20 feet;
S 83-56 E 73.79 feet;	S 72-45 E 52.76 feet;
N 89-55 E 48.61 feet;	N 68-22 E 80.88 feet;
N 86-57 E 55.62 feet;	N 82-18 E 93.53 feet;
N 73-47 E 112.60 feet;	N 8-42 E 59.82 feet;
N 41-49 W 133.94 feet;	N 27-14 W 87.45 feet;
N 39-34 W 113.40 feet;	N 63-09 W 112.00 feet;

N 50-24 W 74.34 feet; N 81-24 W 137.68 feet;
 S 89-39 W 85.65 feet; N 68-16 W 58.74 feet;
 N 62-56 W 119.89 feet; N 42-04 W 56.78 feet;
 N 74-42 W 52.42 feet; S 80-06 W 62.78 feet;
 N 87-28 W 56.20 feet; S 73-02 W 50.87 feet;
 to a point in the 1817 contour thence leaving the 1817 contour N 15-30 W 39.29 feet to a point, on the south margin of NCSR 1147, thence with the south margin of NCSR 1147 N 75-38 E 159.96 feet;
 S 80-12 E 111.00 feet; S 64-55 E 120.30 feet;
 S 78-12 E 93.92 feet; N 80-31 E 186.87 feet;
 S 87-45 E 81.11 feet; S 64-07 E 495.19 feet;
 S 58-17 E 128.85 feet; S 35-43 E 85.80 feet;
 S 0-55 W 74.60 feet; S 14-16 W 176.27 feet;
 S 0-09 W 120.08 feet; S 37-5 E 88.80 feet;
 S 57-18 E 84.39 feet; S 86-27 E 375.99 feet;
 N 61-08 E 122.88 feet; N 29-07 E 92.73 feet;
 N 9-52 E 280.50 feet; N 42-14 E 61.79 feet;
 N 76-37 E 70.28 feet; S 88-24 E 238.66 feet;
 to a point in the south margin of NCSR 1147 thence S 49-14 E 27.83 feet; to the beginning.

BEING in Cheoah Township, Graham County, North Carolina, according to a plat of survey, titled Thunder Island, dated April 19, 1982, by James T. Herron, R.L.S., L-907, and being more particularly described as follows:

BEGINNING on an iron pin in the center line of Thunder Drive and runs thence; N 34-38-20 W, 39.86 feet; N 51-42-00 W, 56.49 feet;
 N 58-33-00 W, 62.16 feet; N 72-02-50 W, 82.61 feet;
 S 42-24-15 W, 72.11 feet; S 78-47-55 W, 40.26 feet;
 N 69-46-25 W, 69.70 feet; N 77-17-08 W, 43.31 feet;
 S 48-46-45 W, 40.00 feet; S 25-37-45 W, 41.11 feet;
 S 69-36-50 W, 47.55 feet; N 87-56-20 W, 41.61 feet;
 N 75-25-30 W, 40.18 feet; S 70-16-25 W, 48.68 feet;
 S 40-46-15 W, 66.15 feet; S 27-20-15 E, 38.32 feet;
 S 55-10-55 E, 26.18 feet; S 83-39-25 E, 39.02 feet;
 N 79-10-25 E, 61.43 feet; S 89-57-35 E, 49.07 feet;
 N 75-47-25 E, 90.85 feet; S 55-47-55 E, 68.25 feet;
 S 64-58-55 E, 54.76 feet; N 82-10-35 E, 70.95 feet;
 N 89-14-55 E, 61.73 feet; N 40-15-55 E, 71.19 feet;
 N 52-04-05 E, 36.81 feet; N 65-58-20 E, 74.27 feet;
 to the beginning.

The above described property is located Southwest of Smokey Mountain Resort, now Thunderbird Resort, and is connected to Smokey Mountain Resort by access drive, which drive is also in the corporate limits.

"ARTICLE III.
"GOVERNING BODY.

"Sec. 3.1. Name of Governing Body; Number of Members. The governing body of the Town of Santeetlah is the Town Council, which consists of five members.

"Sec. 3.2. Manner of Election of Town Council. The qualified voters of the Town of Santeetlah voting at large shall elect the members of the Town Council.

"Sec. 3.3. Terms of Office. Members of the Town Council are elected to two-year terms which shall run concurrently.

"Sec. 3.4. Mayor; Term of Office. The Mayor shall be the councilman receiving the largest number of votes in the municipal election and shall serve a term of two years. In the event of a tie or the councilman receiving the largest number of votes declines to serve as Mayor, the Mayor shall be elected by majority vote of the council from its membership.

"ARTICLE IV.
"ELECTIONS.

"Sec. 4.1. Conduct of Town Elections. The Town Council shall be elected according to the nonpartisan plurality method and the results determined as provided in G.S. 163-292.

"Sec. 4.2. Administration of Elections. Elections shall be administered as provided in G.S. 163-285.

"ARTICLE V.
"ADMINISTRATION.

"Sec. 5.1. Manager Form of Government. The Town of Santeetlah shall operate under the council-manager form of government provided by Part 2 of Article 7 of Chapter 160A of the General Statutes.

"ARTICLE VI.
"TAXATION FOR FISCAL YEAR 1988-89.

"Sec. 6.1. Budget for Fiscal Year 1988-89. The newly incorporated Town of Santeetlah is authorized to adopt a budget and levy property taxes for the 1988-89 fiscal year. In adopting the budget and levying taxes late in the fiscal year 1988-89, the town's governing body need not follow the schedule of action set forth in the Local Government Budget and Fiscal Control Act but shall observe the sequence of actions in the spirit of the act insofar as is practical.

"ARTICLE VII.
"INTERIM TOWN COUNCIL.

"Sec. 7.1. For the period from ratification of this charter until the date of the organizational meeting after the 1989 municipal election provided by G.S. 160A-68, the following persons shall serve as the interim council:

Sherry Collins, Mayor and Councilmember
 Paul Wilson, Councilmember
 Shirley Stage, Councilmember
 Al Larson, Councilmember
 William McNamara, Councilmember."

Sec. 2. This act is effective upon ratification.

In the General Assembly read three times and ratified this the 28th day of June, 1988.

H.B. 2376

CHAPTER 1013

AN ACT TO PROVIDE AN ADDITIONAL ONE THOUSAND ONE HUNDRED DOLLARS (\$1,100) INCOME TAX EXEMPTION FOR TAXPAYERS AND THEIR DEPENDENTS WHO HAVE MUSCULAR DYSTROPHY.

The General Assembly of North Carolina enacts:

Section 1. G.S. 105-149(a) is amended by adding after subdivision (8h) a new subdivision to read:

"(8i) In the case of an individual who has muscular dystrophy or whose dependent has muscular dystrophy, an additional exemption of one thousand one hundred dollars (\$1,100) for that individual or dependent. This exemption is in addition to all other exemptions allowed by this subsection. To claim this exemption, a taxpayer must attach to the tax return on which he claims the exemption a statement from a physician or county health department certifying that the individual or dependent for whom the exemption is claimed has muscular dystrophy."

Sec. 2. This act is effective for taxable years beginning on or after January 1, 1988.

In the General Assembly read three times and ratified this the 28th day of June, 1988.

S.B. 744

CHAPTER 1014

AN ACT TO CHANGE THE COMPOSITION OF THE NORTH CAROLINA STATE INDIAN HOUSING AUTHORITY.

The General Assembly of North Carolina enacts:

Section 1. G.S. 157-68 reads as rewritten:

"§ 157-68. *Commissioners of Authority.*--The Authority shall consist of ~~five commissioners~~ not less than five nor more than nine commissioners (the number to be set by the North Carolina State Commission of Indian Affairs) who shall be appointed by the

Governor, after receiving nominations from the North Carolina State Commission of Indian Affairs. For each vacancy, the Governor must appoint one person from a list of two eligible persons so nominated. Commissioners shall be selected from the following major groups of North Carolina Indians: the Haliwa, the Coharie, the Waccamaw Siouan, and the Lumbee tribes; and the Cumberland County, Guilford, and Metrolina Associations major groups of North Carolina Indians that elect members to the North Carolina State Commission of Indian Affairs under G.S. 143B-407. No person shall be barred from serving as a commissioner because he is a tenant or home buyer in an Indian housing project."

Sec. 2. This act is effective upon ratification, but does not affect the term of office of any current member of the North Carolina State Indian Housing Authority.

In the General Assembly read three times and ratified this the 29th day of June, 1988.

S.B. 1612

CHAPTER 1015

AN ACT TO UPDATE THE REFERENCE TO THE INTERNAL REVENUE CODE USED TO DETERMINE CERTAIN TAXABLE INCOME AND TAX EXEMPTIONS.

The General Assembly of North Carolina enacts:

Section 1. G.S. 105-2.1 reads as rewritten:

" § 105-2.1. *Internal Revenue Code definition.*--As used in this Article, the term 'Code' means the Internal Revenue Code as enacted as of ~~January 1, 1987~~, January 1, 1988, and includes any provisions enacted as of that date which become effective either before or after that date."

Sec. 2. G.S. 105-114 reads as rewritten:

" § 105-114. *Nature of taxes; definitions.*--The taxes levied in this Article upon persons and partnerships are for the privilege of engaging in business or doing the act named. The taxes levied in this Article upon corporations are privilege or excise taxes levied upon:

- (1) Corporations organized under the laws of this State for the existence of the corporate rights and privileges granted by their charters, and the enjoyment, under the protection of the laws of this State, of the powers, rights, privileges and immunities derived from the State by the form of such existence; and
- (2) Corporations not organized under the laws of this State for doing business in this State and for the benefit and protection which such corporations receive from the

government and laws of this State in doing business in this State.

As used in this Article, the term 'Code' means the Internal Revenue Code as enacted as of ~~January 1, 1987~~, January 1, 1988, and includes any provisions enacted as of that date which become effective either before or after that date.

The term 'corporation' as used in this Article shall, unless the context clearly requires another interpretation, mean and include not only corporations but also associations or joint-stock companies and every other form of organization for pecuniary gain, having capital stock represented by shares, whether with or without par value, and having privileges not possessed by individuals or partnerships; and whether organized under, or without, statutory authority. The term 'corporation' as used in this Article shall also mean and include any electric membership corporation organized under Chapter 117, and any electric membership corporation, whether or not organized under the laws of this State, doing business within the State.

When the term 'doing business' is used in this Article, it shall mean and include each and every act, power or privilege exercised or enjoyed in this State, as an incident to, or by virtue of the powers and privileges acquired by the nature of such organizations whether the form of existence be corporate, associate, joint-stock company or common-law trust.

If the corporation is organized under the laws of this State, the payment of the taxes levied by this Article shall be a condition precedent to the right to continue in such form of organization; and if the corporation is not organized under the laws of this State, payment of said taxes shall be a condition precedent to the right to continue to engage in doing business in this State. The taxes levied in this Article or schedule shall be for the fiscal year of the State in which said taxes become due; except, that the taxes levied in G.S. 105-122 and 105-123 shall be for the income year of the corporation in which such taxes become due. For purposes of this Article, the words 'income year' shall mean an income year as defined in G.S. 105-130.2(5)."

Sec. 3. G.S. 105-130.2(1) reads as rewritten:

"(1) 'Code' means the Internal Revenue Code as enacted as of ~~January 1, 1987~~, January 1, 1988, and includes any provisions enacted as of that date which become effective either before or after that date."

Sec. 4. G.S. 105-135(15) reads as rewritten:

"(15) The word 'Code' means the Internal Revenue Code as enacted as of ~~January 1, 1987~~, January 1, 1988, and includes any provisions enacted as of that date which become effective either before or after that date."

Sec. 5. G.S. 105-163.1(11) reads as rewritten:

"(11) 'Code' means the Internal Revenue Code as enacted as of ~~January 1, 1987,~~ January 1, 1988, and includes any provisions enacted as of that date which become effective either before or after that date."

Sec. 6. G.S. 105-212 reads as rewritten:

"§ 105-212. *Institution exempted; conditional and other exemptions.*-- None of the taxes levied in this Article or schedule shall apply to religious, educational, charitable or benevolent organizations not conducted for profit, nor to trusts established for religious, educational, charitable or benevolent purposes where none of the property or the income from the property owned by such trust may inure to the benefit of any individual or any organization conducted for profit, nor to any funds, evidences of debt, or securities held irrevocably in a charitable remainder trust meeting the requirements of section 664 of the Code or in a pooled income fund meeting the requirements of section 642(c)(5) of the Code, nor to any funds held irrevocably in trust exclusively for the maintenance and care of places of burial; nor to any funds, evidences of debt, or securities held irrevocably in pension, profit-sharing, stock bonus, or annuity trusts, or combinations thereof, established by employers for the purpose of distributing both the principal and income thereof exclusively to eligible employees, or the beneficiaries of such employees, if such trusts qualify for exemption from income tax under the provisions of G.S. 105-161(f)(1)a; nor to any funds, evidences of debt or securities held irrevocably in a pension, profit-sharing, stock bonus or annuity plan established by an employer for the benefit of his employees or for himself and his employees if such plan qualifies for exemption from income tax under the provisions of G.S. 105-141(b)(19); nor to any funds, evidences of debt, or securities held in an individual retirement account described in section 408(a) of the Code, or an individual retirement annuity described in section 408(b) of the Code, if such individual retirement account or individual retirement annuity is exempt from income tax under the provisions of G.S. 105-161(f)(1)c or 105-141(b)(19). Insurance companies reporting premiums to the Commissioner of Insurance of this State and paying a tax thereon under the provisions of Article 8B. Schedule I-B shall not be subject to the provisions of G.S. 105-201, 105-202 and 105-203, building and loan associations and savings and loan associations paying a tax under the provisions of Article 8D of Chapter 105 of the General Statutes shall not be subject to the provisions of G.S. 105-201, 105-202 and 105-203; State credit unions organized pursuant to the provisions of Subchapter III, Chapter 54, paying the supervisory fees required by

law, shall not be subject to any of the taxes levied in this Article or schedule; banks, banking associations and trust companies shall not be subject to the tax levied in this Article or schedule on evidences of debt held by them when said evidences of debt represent investment of funds on deposit with such banks, banking associations and trust companies: Provided, that each such institution must, upon request by the Secretary of Revenue, establish in writing its claim for exemption as herein provided. The exemption in this section shall apply only to those institutions, and only to the extent, specifically mentioned, and no other.

Any corporation or trust doing business in North Carolina which in the opinion of the Secretary of Revenue of North Carolina qualifies as a 'regulated investment company' under section 851 of the Code or as a 'real estate investment trust' under the provisions of section 856 of the Code and which files with the North Carolina Department of Revenue its election to be treated as a 'regulated investment company' or 'real estate investment trust,' shall not be subject to any of the taxes levied in this Article or schedule.

If any intangible personal property held or controlled by a fiduciary domiciled in this State is so held or controlled for the benefit of a nonresident or nonresidents, or for the benefit of any organization exempt under this section for the tax imposed by this Article, such intangible personal property shall be partially or wholly exempt from taxation and under the provisions of this Article in the ratio which the net income distributed or distributable to such nonresident, nonresidents or organization, derived from such intangible personal property during the calendar year for which the taxes levied by this Article are imposed, bears to the entire net income derived from such intangible personal property during such calendar year. 'Net income' shall be deemed to have the same meaning that it has in the income tax article. Where the intangible personal property for which this exemption is claimed is held or controlled with other property as a unit, allocation of appropriate deductions from gross income shall be made to that part of the entire gross income which is derived from the intangible personal property by direct method to the extent practicable; and otherwise by such other method as the Secretary of Revenue shall find to be reasonable: Provided, that each fiduciary claiming the exemption provided in this paragraph shall, upon the request of the Secretary of Revenue, establish in writing its claim to such exemption. No provisions of law shall be construed as exempting trust funds or trust property from the taxes levied by this Article except in the specific cases covered by this section.

As used in this section, the term 'Code' means the Internal Revenue Code as enacted as of ~~January 1, 1987~~, January 1, 1988,

and includes any provisions enacted as of that date which become effective either before or after that date."

Sec. 7. This act is effective upon ratification.

In the General Assembly read three times and ratified this the 29th day of June, 1988.

S.B. 1616

CHAPTER 1016

AN ACT TO CHANGE THE MANNER OF ELECTION OF THE
CASWELL COUNTY BOARD OF COMMISSIONERS AND THE
CASWELL COUNTY BOARD OF EDUCATION SO AS TO
IMPLEMENT A FEDERAL COURT ORDER.

The General Assembly of North Carolina enacts:

Section 1. Effective September 5, 1989, the Board of Commissioners of Caswell County shall consist of seven members.

Sec. 2. (a) For the purpose of nominating and electing members of the Board of Commissioners of Caswell County, Caswell County is divided into five districts as provided by Section 3 of this act.

(b) One member of the Caswell County Board of Commissioners shall be elected from each district, and two from the county at large. The qualified voters of each district shall nominate candidates and elect a member who resides in the district for the seat apportioned to that district; and the qualified voters of the entire county shall nominate candidates and elect members apportioned to the county at large.

Sec. 3. The boundaries of the districts are as follows:

DISTRICT 1:

Beginning from a point at the northwest corner of Caswell County and the Virginia state line and running east with the state line to a point where it is intersected by the Dan River; then southeast with the middle of the riverbed of the Dan River to a point due north of the Blanche Community; then due south to an intersection with State Route 1523; then southwest with the centerline of State Route 1523 to its intersection with State Route 1511; then northwest with the centerline of State Route 1511 to its intersection with State Route 1503; then southwest with the centerline of State Route 1503 to its intersection with Old Highway 86; then northwest with the centerline of Old Highway 86 to its intersection with the western boundary of the Pelham Township; then south with the boundary of the Pelham Township to its intersection with the boundary of the Locust Hill Township; then west with the boundary of the Pelham Township to its intersection with State Route 1307; then southeast with the centerline

of State Route 1307 to its intersection with State Route 1306; then southwest with the centerline of State Route 1306 to its intersection with State Route 1303; then northwest with the centerline of State Route 1303 to its intersection with State Route 1300; then southwest with the centerline of State Route 1300 to its intersection with State Route 1301; then northwest with the centerline of State Route 1301 to the western boundary of Caswell County; then north with the western boundary of Caswell County to the point of origin.

DISTRICT 2:

Beginning from a point at the intersection of the townships of Pelham, Dan River, Yanceyville, and Locust Hill, and running north with the boundary of the Dan River Township to its intersection with Old Highway 86; then southeast with the centerline of Old Highway 86 to its intersection with State Route 1503; then northeast with the centerline of State Route 1503 to its intersection with State Route 1511; then east with the centerline of State Route 1511 to its intersection with State Route 1523; then south with the centerline of State Route 1523 to its intersection with State Route 1521; then southeast with the centerline of State Route 1521 to its intersection with State Route 1572; then south with the centerline of State Route 1572 to its intersection with the northern boundary of the Yanceyville Township; then east with the boundary of the Yanceyville Township to its intersection with the boundary of the Leasburg Township; then south with the boundary of the Leasburg Township to its intersection with Highway 158; then east with the centerline of Highway 158 to its intersection with Highway 119; then south with the centerline of Highway 119 to its intersection with the boundary of the Hightowers Township; then east with the boundary of the Hightowers Township to its intersection with State Route 1702; then south with the centerline of State Route 1702 to its intersection with State Route 1723; then east with the centerline of State Route 1723 to its intersection with State Route 1004; then south with the centerline of State Route 1004 to its intersection with State Route 1765; then southeast with the centerline of State Route 1765 to its intersection with Highway 119; then north with the centerline of Highway 119 to its intersection with State Route 1759; then north with the centerline of State Route 1759 to its intersection with State Route 1751; then west with the centerline of State Route 1751 to its intersection with State Route 1730; then northeast with the centerline of State Route 1730 to its intersection with the northern boundary of the Anderson Township; then west with the boundary of the Anderson Township to its intersection with Highway 62; then north with the centerline of Highway 62 to the corporate boundary of Yanceyville, North Carolina; then northeast with the corporate boundary of Yanceyville to a point due east of the

intersection of East Main Street and North Fourth Street; then due west to the intersection of East Main Street and North Fourth Street; then north with the centerline of North Fourth Street to its intersection with Highway 86 Bypass; then west with the centerline of Highway 86 to a point due east of the eastern end of Parkway Street; then due west along the centerline of Parkway Street to a point at the intersection of Parkway Street and North Fifth Avenue; then west along the centerline of North Fifth Avenue to its intersection with West Main Street; then northwest with the centerline of West Main Street to its intersection with the northeast corner of George F. Marshall's property; then west with George F. Marshall's line to its intersection with the corporate limits of Yanceyville; then generally north with the corporate limits of Yanceyville to its intersection with Highway 158; then west with the centerline of Highway 158 to its intersection with State Route 1123; then south with the centerline of State Route 1123 to its intersection with Farmer Lake; then west with the middle of the channel of Farmer Lake to a point due south of the end of State Route 1166; then due north to a point at the end of State Route 1166; then northwest with the centerline of State Route 1166 to its intersection with Highway 158; then west with the centerline of Highway 158 to its intersection with the boundary of the Locust Hill Township; then north with the boundary of the Locust Hill Township to the point of origin.

DISTRICT 3:

Beginning from a point on the northern boundary of the Dan River Township and the Virginia state line where it is intersected by the Dan River and running southeast with the middle of the riverbed of the Dan River to a point due north of the Blanche Community; then due south to an intersection with State Route 1523; then southwest with the centerline of State Route 1523 to its intersection with State Route 1521; then southwest with the centerline of State Route 1521 to its intersection with State Route 1572; then south with the centerline of State Route 1572 to its intersection with the northern boundary of the Yanceyville Township; then east with the boundary of the Yanceyville Township to its intersection with the boundary of the Leasburg Township; then south with the boundary of the Leasburg Township to its intersection with Highway 158; then east with the centerline of Highway 158 to its intersection with Highway 119; then south with the centerline of Highway 119 to its intersection with the northern boundary of the Hightowers Township; then east with the boundary of the Hightowers Township to its intersection with the western boundary of Caswell County; then north with the boundary of Caswell County to its intersection with the Virginia state line; then west with the Virginia

state line to the point of origin.

DISTRICT 4:

Beginning at a point where State Route 1301 intersects with the western boundary of Caswell County and running south with the boundary of Caswell County to its intersection with the northern boundary of the Stoney Creek Township; then west with the boundary of the Stoney Creek Township to its intersection with Highway 150; then west with the centerline of Highway 150 to its intersection with State Route 1129; then southeast with the centerline of State Route 1129 to its intersection with State Route 1133; then east with the centerline of State Route 1133 to its intersection with the western boundary of the Anderson Township; then south with the boundary of the Anderson Township to its intersection with State Route 1110; then southeast with the centerline of State Route 1110 to its intersection with State Route 1111; then east with the centerline of State Route 1111 to its intersection with Highway 62; then north with the centerline of Highway 62 to its intersection with the corporate boundary of Yanceyville, North Carolina; then northeast with the corporate boundary of Yanceyville to a point due east of the intersection of East Main Street and North Fourth Street; then due west to the intersection of East Main Street and North Fourth Street; then north with the centerline of North Fourth Street to its intersection with Highway 86 Bypass; then west with the centerline of Highway 86 to a point due east of the eastern end of Parkway Street; then due west along the centerline of Parkway Street to a point at the intersection of Parkway Street and North Fifth Avenue; then west along the centerline of North Fifth Avenue to its intersection with West Main Street; then northwest with the centerline of West Main Street to its intersection with the northeast corner of George F. Marshall's property; then west with George F. Marshall's line to its intersection with the corporate limits of Yanceyville; then generally north with the corporate limits of Yanceyville to its intersection with Highway 158; then west with the centerline of Highway 158 to its intersection with State Route 1123; then south with the centerline of State Route 1123 to its intersection with Farmer Lake; then west with the middle of the channel of Farmer Lake to a point due south of the end of State Route 1166; then due north to a point at the the end of State Route 1166; then northwest with the centerline of State Route 1166 to its intersection with Highway 158; then west with the centerline of Highway 158 to its intersection with the boundary of the Locust Hill Township; then north with the boundary of the Locust Hill Township to its intersection with the Pelham Township; then west with the boundary of the Pelham Township to its intersection with State Route 1307; then southeast with the centerline of State Route 1307 to its intersection

with State Route 1306; then southeast with the centerline of State Route 1306 to its intersection with State Route 1303; then northeast with the centerline of State Route 1303 to its intersection with State Route 1300; then southeast with the centerline of State Route 1300 to its intersection of State Route 1301; then northeast with the centerline of State Route 1301 to the point of origin.

DISTRICT 5:

Beginning at a point on the western boundary of Caswell County at the intersection of the Locust Hill and the Stoney Creek Townships and running west with the boundary of the Stoney Creek Township to its intersection with Highway 150; then west with the centerline of Highway 150 to its intersection with State Route 1129; then southeast with the centerline of State Route 1129 to its intersection with State Route 1133; then east with the centerline of State Route 1133 to its intersection with the western boundary of the Anderson Township; then south with the boundary of the Anderson Township to its intersection with State Route 1110; then southeast with the centerline of State Route 1110 to its intersection with State Route 1111; then east with the centerline of State Route 1111 to its intersection with Highway 62; then north with the centerline of Highway 62 to its intersection with the northern boundary of the Anderson Township; then east following the boundary of the Anderson Township to its intersection with State Route 1730; then southwest following the centerline of State Route 1730 to its intersection with State Route 1751; then east with the centerline of State Route 1751 to its intersection with State Route 1759; then southeast with the centerline of State Route 1759 to its intersection with Highway 119; then south with the centerline of Highway 119 to its intersection with State Route 1765; then northeast with the centerline of State route 1765 to its intersection with State Route 1004; then north with the centerline of State Route 1004 to its intersection with State Route 1723; then generally east with the centerline of State Route 1723 to its intersection with State Route 1702; then north with the centerline of State Route 1702 to its intersection with the northern boundary of the Hightowers Township; then east with the boundary of the Hightowers Township to the western boundary of Caswell County; then south with the boundary of Caswell County to its intersection with the northern boundary of Orange County; then west with the boundary of Caswell County to its intersection with the eastern boundary of Rockingham County; then north with the boundary of Caswell County to the point of origin.

Sec. 4. In 1989, in accordance with the procedures set out in Section 5 of this act, members of the Board of Commissioners of Caswell County shall be elected from Districts 3 and 4 to serve a term

expiring on the first Monday in December 1992. In 1992 and quadrennially thereafter, members shall be elected from Districts 3 and 4 for four-year terms, and two members shall be elected at large for four-year terms. In 1990 and quadrennially thereafter, members shall be elected from Districts 1, 2, and 5 for four-year terms.

Sec. 5. The primary in 1989 shall be held on the Tuesday after the first Monday in May. The general election in 1989 shall be held on the third Tuesday in August. Otherwise, the provisions of Chapter 163 of the General Statutes shall apply to such primary and election.

Sec. 6. In the event any vacancies occur in the membership of the Board of Commissioners of Caswell County for terms expiring in 1988, 1990, or 1992 (other than in the two seats added by this act), the vacancies shall be filled as if this act had not been enacted.

Sec. 7. Chapter 43, Session Laws of 1943 and Chapter 173, Session Laws of 1965 are repealed.

Sec. 8. Sections 1 through 7 of this act do not affect the terms of office of any person serving on the Board of Commissioners of Caswell County for terms expiring in 1988 or 1990, nor do they affect the manner or form of election in 1988, when two commissioners are being elected for four-year terms under the provisions of the acts repealed by Section 7 of this act.

Sec. 9. Effective September 5, 1989, the Board of Education of Caswell County shall consist of seven members.

Sec. 10. (a) For the purpose of electing members of the Board of Education of Caswell County, Caswell County is divided into five districts as provided by Section 3 of this act.

(b) One member of the Caswell County Board of Education shall be elected from each district, and two from the county at large. The qualified voters of each district shall elect a member who resides in the district for the seat apportioned to that district; and the qualified voters of the entire county shall elect members apportioned to the county at large.

Sec. 11. In 1989, in accordance with the procedures set out in Section 12 of this act, members of the Board of Education of Caswell County shall be elected from Districts 3 and 4 to serve a term expiring on the first Monday in December 1992. In 1992 and quadrennially thereafter, members shall be elected from Districts 3 and 4 for four-year terms, and two members shall be elected at large for four-year terms. In 1990 and quadrennially thereafter, members shall be elected from Districts 1, 2, and 5 for four-year terms.

Sec. 12. The election in 1989 shall be held on the Tuesday after the first Monday in May. Otherwise, the provisions of Chapters 115C and 163 shall apply to such election. The provisions of the last two sentences of Section 15 of this act also apply.

Sec. 13. In the event any vacancies occur in the membership of the Board of Education of Caswell County for terms expiring in 1988, 1990, or 1992 (other than in the two seats added by this act), the vacancies shall be filled as if this act had not been enacted.

Sec. 14. Chapter 979, Session Laws of 1973 is repealed.

Sec. 15. Notwithstanding the provisions of G.S. 115C-37, the Caswell County Board of Education shall be elected on a nonpartisan basis at the time of the primary election in 1990 and biennially thereafter. The names of the candidates shall be printed on the ballot without reference to any party affiliation. The nonpartisan election and runoff election method shall be used with the results determined as provided in G.S. 163-293.

Sec. 16. Sections 9 through 15 of this act do not affect the terms of office of any person serving on the Board of Commissioners of Caswell County for terms expiring in 1988, 1990, or 1992, nor do they affect the manner or form of election in 1988, when two members were being elected for four-year terms under the provisions of the act repealed by Section 13 of this act.

Sec. 17. This act is effective upon ratification.

In the General Assembly read three times and ratified this the 29th day of June, 1988.

H.B. 1111

CHAPTER 1017

AN ACT TO REQUIRE THE REGISTRATION OF CERTAIN
MAKERS OF MORTGAGE LOANS ON RESIDENTIAL REAL
PROPERTY.

The General Assembly of North Carolina enacts:

Section 1. Article 19 is added to Chapter 53 of the General Statutes to read as follows:

"ARTICLE 19.

"Registration of Mortgage Bankers and Brokers.

" § 53-233. *Title and scope.*-- (a) This Article shall be known and cited as the 'Registration Requirements Act for Certain Makers of Mortgages and Deeds of Trust on Residential Real Property'.

(b) No person, partnership, corporation, banking organization, or other entity, shall make or broker a residential mortgage loan as defined in this Article, unless either (i) the maker or broker of the mortgage loan is an exempt person or organization as defined in G.S. 53-234(6), or (ii) has complied with the provisions of this Article. Nothing in this Article shall be construed to apply to the purchase of loans or participations in loans or the commitment by an entity to fund loans made by registrants or exempt persons or organizations.

" § 53-234. *Definitions.*--The following definitions apply in this Article:

(1) 'Mortgage loan' means a loan to a natural person or persons made primarily for personal, family or household use, primarily secured by either a mortgage or a deed of trust on residential real property.

(2) 'Residential real property' means real property located in this State upon which there is located or there is to be located one or more single family dwellings or dwelling units.

(3) 'Mortgage banker' means a person or entity who or which for compensation or gain, either directly or indirectly, advances funds, offers to advance funds, or makes a commitment to advance funds to an applicant for a mortgage loan.

(4) 'Mortgage broker' means a person or entity in the business of soliciting, processing, placing or negotiating mortgage loans for others or offering to process, place or negotiate mortgage loans for others.

(5) 'Soliciting, processing, placing or negotiating a mortgage loan' means for compensation or gain, either directly or indirectly, accepting or offering to accept an application for a mortgage loan, assisting or offering to assist in the processing of an application for a mortgage loan, soliciting or offering to solicit a mortgage loan on behalf of a third party or negotiating or offering to negotiate the terms or conditions of a mortgage loan with a lender on behalf of a third party.

(6) 'Exempt person or organization' means:

- (a) Any lender authorized to engage in business as a bank, a farm credit system, life insurance company, savings institution, or credit union, under the laws of the United States or the State of North Carolina and subsidiaries and affiliates of such lenders, which subsidiaries and affiliates are subject to the general supervision or regulation of the lender or subject to audit or examination by a regulatory body or agency of the United States or the State of North Carolina; the entities listed in this sub-subdivision, and their officers and employees, are not subject to any of the provisions of this Article; or
- (b) Any licensed real estate agent or broker, who is performing those activities subject to the regulation of the North Carolina Real Estate Commission. Notwithstanding the above, an exempt person does not include a real estate agent or broker who receives direct compensation or income in connection with the placement of a mortgage loan; or
- (c) Any person who, as seller, receives in one calendar year no

more than ten mortgages, deeds of trust, or other security instruments on real estate as security for a purchase money obligation; or

- (d) The North Carolina Housing Finance Agency as established by Chapter 122A of the General Statutes and the North Carolina Agricultural Finance Authority as established by Chapter 122D of the General Statutes; or
 - (e) Any agency of the federal government or any state or municipal government granting first mortgage loans under specific authority of the laws of any state or the United States.
- (7) 'Registrant' means any person or entity who or which is registered pursuant to G.S. 53-236:
- (a) Which engages in the business of making mortgage loans in this State; or
 - (b) Which engages in the business of soliciting, processing, placing or negotiating mortgage loans for others, or offering to process, place or negotiate mortgage loans for others.
- (8) 'Commissioner' means the Commissioner of Banks of this State.

" § 53-235. *Registration requirements of mortgage bankers and mortgage brokers.*--(a) No mortgage banker, as defined in G.S. 53-234(3), shall engage in the business of making mortgage loans without first being registered with the Commissioner in accordance with the registration procedure provided in this Article and such regulations as may be promulgated by the Commissioner.

(b) No mortgage broker, as defined in G.S. 53-234(4), shall engage in the business of processing, placing or negotiating a mortgage loan or offering to process, place or negotiate a mortgage loan in this State without first being registered with the Commissioner in accordance with the registration procedure provided in this Article and such regulations as may be promulgated by the Commissioner.

(c) Notwithstanding subsections (a) and (b) of this section, the registration provisions of this Article shall not apply to any exempt persons or entities as defined by G.S. 53-234(6).

(d) Notwithstanding subsections (a) and (b) of this section, an affiliate operating in the same office or subsidiary operating in the same office of a licensee under the North Carolina Consumer Finance Act shall not be required to register under this section.

" § 53-236. *Registration procedures.*--(a) An application to become registered as a mortgage banker or a mortgage broker shall be in writing, under oath, and in such form as shall be prescribed by the Commissioner. Such application shall contain the name and complete business and residential address or addresses of the applicant, or if the

applicant is a partnership, association, corporation or other form of business organization, the names and complete business and residential addresses of each member, director and principal officer thereof.

(b) The application shall also include an affirmation of financial solvency noting such capitalization requirements as may be required by the Commissioner, and such descriptions of the business activities, financial responsibility, educational background and general character and fitness of the applicant as may be required by the Commissioner. Such application shall be accompanied by a fee, payable to the Commissioner, of five hundred dollars (\$500.00).

" § 53-237. *Registration by the Commissioner.*--(a) Upon the filing of an application for registration, if the Commissioner finds that the financial responsibility, experience, character, and general fitness of the applicant, and of the members thereof if the applicant is a partnership or association, and of the officers and directors thereof if the applicant is a corporation, are such as to command the confidence of the community and to warrant belief that the business will be operated honestly and fairly, within the purposes of this Article, he shall thereupon register the applicant as a mortgage banker or a mortgage broker, whichever is applicable, on a roll maintained for that purpose at the Commission of Banks, and shall issue a certificate attesting to such registration. If the Commissioner does not so find, he shall not register such applicant, and shall notify the applicant of the denial. The Commissioner shall transmit the certificate to the applicant.

(b) Upon the receipt of such certificate, a mortgage banker or a mortgage broker, shall be authorized to engage in the business for which the registration certificate was issued.

(c) Each certificate issued to a registrant shall state the address or addresses at which the business is to be conducted and shall state fully the name of the registrant, and the date of the registration. A copy of such certificate shall be prominently posted in each place of business of the registrant. Such certificate shall not be transferable or assignable.

" § 53-238. *Prohibited activities of mortgage bankers and mortgage brokers.*--Mortgage bankers and mortgage brokers are prohibited from the following activities:

(1) Misrepresenting the material facts or making false promises likely to influence, persuade, or induce an applicant for a mortgage loan or a mortgagor to take a mortgage loan, or pursuing a course of misrepresentation through agents or otherwise;

(2) Misrepresenting or concealing of material factors, terms or conditions of a transaction to which he is a party, pertinent to an

applicant for a mortgage loan or a mortgagor;

(3) Failing to disburse funds in accordance with a written commitment or agreement to make a mortgage loan;

(4) Improperly refusing to issue a satisfaction of a mortgage;

(5) Failing to account for or deliver to any person any personal property obtained in connection with a mortgage loan such as money, funds, deposit, check, draft, mortgage, or other document, or thing of value, which has come into his hands and which is not his property, or which he is not in law or equity entitled to retain;

(6) Engaging in any transaction, practice, or course of business which is not in good faith or fair dealing, or which operates a fraud upon any person, in connection with the making of or purchase or sale of any mortgage loan.

" § 53-239. *Cease and desist; revocation of registration certificate.*--

(a) Upon the finding that any action of a mortgage banker or a mortgage broker may be in violation of this Article, or of any law or regulation of this State or of the federal government or any agency thereof, the Commissioner, after reasonable notice to the mortgage banker or mortgage broker, and an opportunity for the mortgage banker or mortgage broker to be heard, shall order it to cease and desist from such action.

(b) If the mortgage banker or mortgage broker fails to appeal such cease and desist order of the Commissioner in accordance with G.S. 53-240 hereof and continues to engage in such action in violation of the Commissioner's order to cease and desist such action, it shall be subject to a penalty of one thousand dollars (\$1,000) for each such action it takes in violation of the Commissioner's order. The penalty provision of this section shall be in addition to and not in lieu of any other provision of law applicable to a mortgage banker or a mortgage broker for the mortgage banker or mortgage broker's failure to comply with an order of the Commissioner.

(c) The Commissioner may, upon the finding that a mortgage banker or a mortgage broker has engaged in a course of conduct which is in violation of this Article, revoke the registration of such mortgage banker or mortgage broker temporarily or permanently in the discretion of the Commissioner.

(d) Nothing in this Article shall limit any statutory or common law right of any person to bring any action in any court for any act, or the right of the State to punish any person for any violation of any law.

" § 53-240. *Appeal of Commissioner's decision.*--Notwithstanding any other provision of law, any aggrieved party may, within 30 days after final decision of the Commissioner and by written notice to the Commissioner, appeal directly to the North Carolina Court of Appeals for judicial review on the record. In the event of an appeal, the

Commissioner shall certify the record to the Clerk of the Court of Appeals within 30 days thereafter. Such record shall include all memoranda, briefs and any other documents, data, information or evidence submitted by any party to such proceeding except for material such as trade secrets normally not available through commercial publication for which such party has made a claim of confidentiality and requested exclusion from the record which the Commissioner deems confidential. All factual information contained in any report of examination or investigation submitted to or obtained by the Commissioner's staff shall also be made a part of the record unless deemed confidential by the Commissioner.

"§ 53-241. *Rules and regulations.*--Notwithstanding the provision of G.S. 53-95, the Commissioner may promulgate such reasonable rules and regulations as may be necessary to effectuate the purpose of this Article, to provide for the protection of the borrowing public, and to instruct mortgage lenders in interpreting this Article.

"§ 53-242. *Fees.*--In addition to the initial application for registration fee of five hundred dollars (\$500.00) required by G.S. 53-236, all registrants shall pay an annual fee of two hundred fifty dollars (\$250.00)."

Sec. 2. This act shall become effective January 1, 1989.

In the General Assembly read three times and ratified this the the 29th day of June, 1988.

H.B. 2188

CHAPTER 1018

AN ACT TO REVISE AND CONSOLIDATE THE CHARTER OF THE CITY OF WHITEVILLE.

The General Assembly of North Carolina enacts:

Section 1. The Charter of the City of Whiteville is revised and consolidated to read:

"THE CHARTER OF THE CITY OF WHITEVILLE

"ARTICLE I. INCORPORATION, CORPORATE POWERS AND BOUNDARIES

"Section 1.1. *Incorporation.* The City of Whiteville, North Carolina in Columbus County and the inhabitants thereof shall continue to be a municipal body politic and corporate, under the name of the 'City of Whiteville', hereinafter at times referred to as the 'City'.

"Sec. 1.2. *Powers.* The City shall have and may exercise all of the powers, duties, rights, privileges and immunities conferred upon the City of Whiteville specifically by this charter or upon municipal

corporations by general law. The term 'general law' is employed herein as defined in G.S. 160A-1.

"Sec. 1.3. *Corporate Limits.* The corporate limits are those existing at the time of ratification of this Charter, as set forth on the official map of the City and as they may be altered from time to time in accordance with law. An official map of the City showing the current boundaries shall be maintained permanently in the office of the City Clerk and shall be available for public inspection. Immediately upon alteration of the corporate limits made pursuant to law, the appropriate changes to the official map shall be made and copies shall be filed in the office of the Secretary of State, the Columbus County Register of Deeds and the appropriate board of elections.

"ARTICLE II. GOVERNING BODY

"Sec. 2.1. *Mayor and Council.* The Mayor and City Council, hereinafter referred to as the 'Council,' is the governing body of the City.

"Sec. 2.2. *Council; Composition; Terms of Office.* The Council is composed of four members elected by all the qualified voters of the City for staggered terms of four years.

"Sec. 2.3. *Mayor; Term of Office; Duties.* The Mayor is elected by all the qualified voters of the City for a term of two years; is the official head of the City government and presides at meetings of the Council; shall have the right to vote only when there is an equal division on a question or matter before the council; and shall exercise the powers and duties conferred by law or as directed by the Council.

"Sec. 2.4. *Mayor Pro Tempore.* The Council shall elect one of its members as Mayor Pro Tempore to perform the duties of the Mayor during his or her absence or disability, in accordance with general law. The Mayor Pro Tempore shall serve in such capacity at the pleasure of the other members of the council.

"Sec. 2.5. *Meetings.* In accordance with general law, the Council shall establish a suitable time and place for its regular meetings. Special and emergency meetings may be held as provided by general law.

"Sec. 2.6. *Voting Requirements; Quorum.* Official actions of the Council and all votes shall be taken in accordance with applicable provisions of general law, particularly G.S. 160A-75. The quorum provisions of G.S. 160A-74 shall apply.

"Sec. 2.7. *Compensation; Qualifications for Office; Vacancies.* The compensation and qualifications of the Mayor and Council members shall be in accordance with general law. Vacancies that occur in any elective office of the City shall be filled by appointment as provided in G.S. 160A-63.

"ARTICLE III. ELECTIONS

"Sec. 3.1. *Regular Municipal Elections.* Regular municipal elections shall be held in each odd-numbered year in accordance with the uniform municipal election laws of North Carolina. Elections are conducted on a nonpartisan basis and the results determined using the nonpartisan plurality method as provided in G.S. 163-292.

"Sec. 3.2. *Election of Council Members.* Two Council members shall be elected in each regular municipal election, as the respective terms expire.

"Sec. 3.3. *Election of Mayor.* A Mayor shall be elected in each regular municipal election.

"Sec. 3.4. *Special Elections and Referendums.* Special elections and referendums may be held only as provided by general law or applicable local acts of the General Assembly.

"ARTICLE IV. ORGANIZATION AND ADMINISTRATION

"Sec. 4.1. *Form of Government.* The City shall operate under the council-manager form of government, in accordance with G.S. Chapter 160A, Article 7, Part 2.

"Sec. 4.2. *City Manager.* The Council shall appoint a City Manager who is responsible for the administration of all departments of the city government. The City Manager shall have all the powers and duties conferred by general law, except as expressly limited by the provisions of this Charter. Neither the Mayor nor the City Council nor any of its committees or members shall direct or request the appointment of any person to, or his removal from, office by the City Manager. Except for the purposes of inquiry, the Mayor and the City Council and its members shall deal with officers and employees in the administrative service only through the City Manager, and neither the Mayor nor the City Council nor any of its members shall give orders or directions to any subordinate of the City Manager, either publicly or privately.

"Sec. 4.3. *City Clerk.* The City Manager shall appoint a City Clerk to keep a journal of the proceedings of the Council; to maintain official records and documents; to give notice of meetings; and to perform such other duties required by law or as the Council may direct.

"Sec. 4.4. *Tax Collector.* The City Manager shall appoint a Tax Collector, who may be the Columbus County Tax Collector, to collect all taxes owed to the City, subject to general law, this Charter and City ordinances.

"Sec. 4.5. *City Finance Officer.* The City Manager shall appoint a Finance Officer to perform the duties required by law or as the Council may direct, or the City Council may at its election confer the duties of Finance Officer on the City Manager as Budget Officer.

The Finance Officer may be entitled 'Accountant,' 'Treasurer,' 'Finance Director,' 'Finance Officer' or any other reasonably descriptive title.

"Sec. 4.6. *City Attorney.* The Council shall appoint a City Attorney licensed to practice law in North Carolina. It shall be the duty of the City Attorney to represent the City, advise City officials and perform other duties required by law or as the Council may direct.

"Sec. 4.7. *Other Administrative Officers and Employees.* The Council may authorize additional offices and positions, to be filled by appointment of the City Manager. The Council may organize the City government as deemed appropriate, including combining any of the offices provided for in this Article, subject to the requirements of general law.

"ARTICLE V. SPECIAL PROVISIONS

"Sec. 5.1. *Disposal of Surplus Real Property.* The Mayor and City Council shall have power, in addition to the power granted by Article 12 of Chapter 160A of the General Statutes of North Carolina, by their unanimous vote to dispose of any real property which the Council has declared to be surplus, in the following manner:

(1) Without bids or advertisement, at private sale, if the property has a market value of not more than two thousand dollars (\$2,000);

(2) Without bids or advertisement, by exchange for real property of like or greater market value;

(3) No sale or exchange of real property authorized by this section shall be ordered by the Mayor and City Council unless they shall have caused to be published at least once in each of the two calendar weeks immediately preceding the vote authorizing such sale in a newspaper having general circulation in the City a notice of their intention to consider such sale or exchange.

"Sec. 5.2. *Settlement of Claims by City Manager.* The City Manager may, with the prior approval of the City Council, settle claims against the City for: (i) personal injuries or damages to property when the amount involved does not exceed the sum of five hundred dollars (\$500.00) and does not exceed the actual loss sustained, including loss of time, medical expenses, and any other expenses actually incurred; and (ii) the taking of small portions of private property which are needed for the rounding of corners at intersections of streets, when the amount involved in any such settlement does not exceed one thousand dollars (\$1,000) and does not exceed the actual loss sustained. Settlement of a claim by the City Manager pursuant to this section shall constitute a complete release of the City from any and all damages sustained by the person involved in such settlement in any manner arising out of the accident, occasion or

taking complained of. All such settlements, and all such releases, shall be approved in advance by the City Attorney.

"ARTICLE VI. WHITEVILLE FIREMEN'S SUPPLEMENTAL RETIREMENT FUND

"Sec.6.1. *Supplemental Retirement Fund Created.* The Board of Trustees of the Local Firemen's Relief Fund of the City of Whiteville, as established in accordance with G.S. 118.6, hereinafter called Board of Trustees, shall create and maintain a separate fund to be called the Whiteville Firemen's Supplemental Retirement Fund, hereinafter called the Supplemental Retirement Fund, and shall maintain books of account for such fund separate from the books of account of the Firemen's Local Relief Fund of the City of Whiteville, hereinafter called the Local Relief Fund. The Board of Trustees shall pay into the Supplemental Retirement Fund the funds prescribed by this act.

"Sec. 6.2. *Transfer of Funds and Disbursements.* Notwithstanding the provisions of G.S. 118-7, the Board of Trustees of the Local Firemen's Relief Fund of the City of Whiteville shall:

(1) In each calendar year, and within 30 days after receipt from the City Officer of the annual funds paid to the Local Relief Fund by authority of G.S. 118-5, transfer the funds to the Supplemental Retirement Fund; and

(2) When the amount of funds in the Local Relief Fund shall, by reason of disbursements authorized by G.S. 118-7, be less than five hundred dollars (\$500.00), transfer from the Supplemental Retirement Fund to the Local Relief Fund an amount sufficient to maintain in the Local Relief Fund the sum of five hundred dollars (\$500.00).

"Sec.6.3. *Eligibility.* Any volunteer firefighter or full-time paid firefighter of the Whiteville Fire Department as shown by record on May 5, 1971, or any volunteer or full-time paid firefighter employed after ratification of this act shall be eligible for benefits from the Supplemental Retirement Fund, provided that no firefighter shall be eligible for benefits from the Supplemental Retirement Fund unless such person has qualified for benefits as stated in Section 6.4, 6.5 or 6.6.

"Sec. 6.4. *Normal Retirement Benefits.*

(a) *Volunteer Firefighter.* A monthly supplemental retirement benefit after reaching the age of 55 and with 20 years of service shall be paid from the Supplemental Retirement Fund in an amount equal to seventy-five dollars (\$75.00).

(b) *Full-Time Paid Firefighter.* A monthly supplemental retirement benefit after reaching the age of 55 years and with 20 years of service shall be paid from the Supplemental Retirement Fund in an amount of ten percent (10%) of the firefighter's monthly salary at the time immediately preceding retirement, but in no case shall this

amount exceed one hundred fifty dollars (\$150.00).

(c) *Combination Full-Time Paid and Volunteer Service.* A member's full-time and volunteer service time can be combined to equal 20 years of service and shall be paid from the Supplemental Retirement Fund on a prorated basis as decided by the Board of Trustees.

(d) If any member who has been a member of a rated fire department with a Local Relief Fund becomes employed with the Whiteville Fire Department, the member's service time may be transferred to the Whiteville Local Relief Fund after the member has served five years, providing all the rights and privileges as other members of the Whiteville Fire Department.

"Sec. 6.5. All the payments made to the retirees will come from the interest accumulated from the money invested. The principal shall never be used for payment to retirees. The Board of Trustees shall have the authority to make any adjustments in payments to retirees if interest is not sufficient to make retiree payments.

"Sec. 6.6. *Disability Benefit.* Any firefighter of the Whiteville Fire Department injured in the line of duty shall be entitled to receive monthly compensation from the Supplemental Retirement Fund. Compensation shall be prorated on the basis of the number of years of service as determined by the Board of Trustees of the Supplemental Retirement Fund.

"Sec. 6.7. *Investment of Funds.* The Board of Trustees is authorized to invest any funds of the Local Relief Fund or the Supplemental Retirement Fund as authorized by G.S. 159-28.1.

"Sec. 6.8. *Acceptance of Gifts.* The Board of Trustees is hereby authorized to accept any gift, grant, bequest or donation of money for the use of the Supplemental Retirement Fund.

"Sec. 6.9. *Bond of Treasurer.* The Board of Trustees shall bond the Treasurer of the Local Relief Fund with a good and sufficient bond, in an amount at least equal to the amount of funds in his control, payable to the Board of Trustees, and conditioned upon the faithful performance of his duties. The bond shall be in lieu of the bond required by G.S. 118-6. The Board of Trustees shall pay from the Local Relief Fund the premium on the bond of the Treasurer.

"ARTICLE VII. SPECIAL ASSESSMENT PROVISIONS

"Sec. 7.1. *Assessment for Street Improvements; Petition Unnecessary.*

(a) In addition to any authority granted by general law, the Council may order street improvements and to assess the costs thereof against abutting property in accordance with the provisions of this Article.

(b) The Council may order street improvements and assess the total costs thereof against abutting property, exclusive of the costs incurred at street intersections, according to one or more of the assessment

bases set forth in Article 10 of G.S. Chapter 160A without the necessity of a petition, upon the following findings of fact:

- (1) That the street improvement project does not exceed 1,200 linear feet; and
- (2) That such street or part thereof is unsafe for vehicular traffic or creates a safety or health hazard and it is in the public interest to make such improvements; or
- (3) That it is in the public interest to connect two streets or portions of a street already improved; or
- (4) That it is in the public interest to widen a street, or part thereof, which is already improved; provided that assessments for widening any street or portion of a street without a petition shall be limited to the cost of widening and otherwise improving such street in accordance with the street classification and improvement standards established by the City's thoroughfare or major street plan, as applied to the particular street or part thereof.

(c) For the purposes of this Article, the term 'street improvement' includes grading, regrading, surfacing, resurfacing, widening, paving, repaving, acquisition of right-of-way and construction or reconstruction of curbs, gutters and street drainage facilities.

"Sec. 7.2. *Assessments for Sidewalk Improvement; Petition Unnecessary.* In addition to any authority granted by general law, the council is hereby authorized, without the necessity of petition, to order sidewalk improvements or repairs according to standards and specifications of the City, and to assess the total costs thereof against abutting property, according to one or more of the assessment bases set forth in Article 10 of G.S. Chapter 160A; provided that regardless of the assessment basis or bases employed, the Council may order the costs of sidewalk improvements made only on one side of a street to be assessed against property abutting both sides of such street.

"Sec. 7.3. *Procedure; Effect of Assessments.* In ordering street and sidewalk improvements without a petition and assessing the costs thereof under authority of this Article, the Council shall comply with the procedures required by Article 10 of G.S. Chapter 160A, except those provisions relating to petitions of property owners and sufficiency thereof. The effect of the act of levying assessments under authority of this Article shall be the same as if assessments were levied under authority of Article 10 of G.S. Chapter 160A."

Sec. 2. The purpose of this act is to revise the Charter of the City of Whiteville and to consolidate certain acts concerning the property, affairs and government of the City. It is intended to continue without interruption those provisions of prior acts which are expressly consolidated into this act, so that all rights and liabilities

which accrued are preserved and may be enforced.

Sec. 3. This act does not repeal or affect any acts concerning the property, affairs or government of public schools, or acts validating official actions, proceedings, contracts or obligations of any kind.

Sec. 4. All local acts in conflict with this act are repealed. The following acts, having served the purposes for which they were enacted or having been consolidated into this act, are expressly repealed:

Chapter 806, Session Laws of 1967

Chapter 308, Session Laws of 1971

Chapter 980, Session Laws of 1985.

Sec. 5. The Mayor and Council members serving on the date of ratification of this act shall serve until the expiration of their terms. Thereafter, those offices shall be filled as provided in Articles II and III of the the Charter contained in Section 1 of this act.

Sec. 6. This act does not affect any rights or interests which arose under any provisions repealed by this act.

Sec. 7. All existing ordinances, resolutions and other provisions of the City of Whiteville not inconsistent with the provisions of this act shall continue in effect until repealed or amended.

Sec. 8. No action or proceeding pending on the effective date of this act by or against the City or any of its departments or agencies shall be abated or otherwise affected by this act.

Sec. 9. If any provision or application of this act is held invalid, such invalidity shall not affect other provisions or applications of this act which can be given effect without the invalid provision or application, and to this end the provisions of this act are declared to be severable.

Sec. 10. Whenever a reference is made in this act to a particular provision of the General Statutes, and such provision is later amended, superseded or recodified, the reference shall be deemed amended to refer to the amended General Statute, or to the General Statute which most clearly corresponds to the statutory provision which is superseded or recodified.

Sec. 11. None of the provisions of this act pertaining to the Whiteville Firemen's Supplemental Retirement Fund shall create a liability for the Fund unless sufficient assets are available to pay for the liability.

Sec. 12. This act is effective upon ratification.

In the General Assembly read three times and ratified this the 29th day of June, 1988.

H.B. 2324

CHAPTER 1019

AN ACT TO LIMIT HEIGHT OF STRUCTURES IN THE TOWN OF HOLDEN BEACH.

The General Assembly of North Carolina enacts:

Section 1. Except as provided in Section 2 of this act or an ordinance adopted by the town council under Chapter 160A of the General Statutes, no building erected within the corporate limits of any town, as defined in G.S. 160A-1, after the effective date of this act may have a height in excess of 35 feet above ground level.

Sec. 2. The height limitation contained in Section 1 of this act does not apply to spires, belfries, cupolas, antennas, water tanks, ventilators, chimneys or other appurtenances usually required to be placed above the roof level and not intended for human occupancy.

Sec. 3. This act applies to the Town of Holden Beach only.

Sec. 4. This act is effective upon ratification.

In the General Assembly read three times and ratified this the 29th day of June, 1988.

H.B. 2623

CHAPTER 1020

AN ACT TO CLARIFY THE FEES APPLICABLE TO GENERATORS AND TRANSPORTERS OF HAZARDOUS WASTE, AND TO HAZARDOUS WASTE STORAGE, TREATMENT, AND DISPOSAL FACILITIES.

The General Assembly of North Carolina enacts:

Section 1. G.S. 130A-290 is amended by inserting the following new subsections:

"(1b) 'Commercial' when applied to a hazardous waste facility, means a hazardous waste facility that accepts hazardous waste from the general public or from another person for a fee.

(7b) 'Hazardous waste management program' means the program and activities within the Department pursuant to Part 2 of this Article, for hazardous waste management."

Sec. 2. G.S. 130A-294.1 as effective from 1 July 1988, is rewritten to read:

"§ 130A-294.1. Fees applicable to generators and transporters of hazardous waste, and to hazardous waste storage, treatment, and disposal facilities.--(a) It is the intent of the General Assembly that the fee system established by this section is solely to provide funding in addition to federal and State appropriations to support the State's hazardous waste management program.

(b) Funds collected pursuant to this section shall be used for personnel and other resources necessary to:

- (1) Provide a high level of technical assistance and waste minimization effort for the hazardous waste management program;
- (2) Provide timely review of permit applications;
- (3) Insure that permit decisions are made on a sound technical basis and that permit decisions incorporate all conditions necessary to accomplish the purposes of this Part;
- (4) Improve monitoring and compliance of the hazardous waste management program;
- (5) Increase the frequency of inspections;
- (6) Provide chemical, biological, toxicological, and analytical support for the hazardous waste management program; and
- (7) Provide resources for emergency response to imminent hazards associated with the hazardous waste management program.

(c) It is the intent of the General Assembly that the total funds collected per year pursuant to this section shall not exceed twenty-five percent (25%) of the total funds budgeted from all sources for the hazardous waste management program. This subsection shall not be construed to limit the obligation of any person to pay any fee imposed by this section.

(d) All fees collected by the Department under this section shall be deposited in a separate nonreverting fund within the Office of State Budget to be used, subject to appropriation by the General Assembly, to pay a portion of the State's share of the cost of the hazardous waste management program.

(e) A person who generates either one kilogram or more of any acute hazardous waste as listed in 40 C.F.R. § 261.30(d) or § 261.33(e) as revised 1 July 1987, or 1000 kilograms or more of hazardous waste, in any calendar month during the year beginning 1 July and ending 30 June shall pay an annual fee of five hundred dollars (\$500.00).

(f) A person who generates 100 kilograms or more of hazardous waste in any calendar month during year beginning 1 July and ending 30 June but less than 1000 kilograms of hazardous waste in each calendar month during that year shall pay an annual fee of twenty-five dollars (\$25.00).

(g) A person who generates one kilogram or more of acute hazardous waste or 1000 kilograms or more of hazardous waste in any calendar month during the calendar year shall pay, in addition to any fee under subsections (e) and (f) of this section, a tonnage fee of fifty cents (\$0.50) per ton or any part thereof of hazardous waste generated

during that year up to a maximum of 25,000 tons.

(h) A person who generates less than one kilogram of acute hazardous waste and less than 100 kilograms of hazardous waste in each calendar month during the year beginning 1 July and ending 30 June shall not be liable for payment of a fee under subsections (e) and (f) of this section for that year.

(i) Hazardous waste generated as a result of any type of remedial action or by collection by a local government of hazardous waste from households shall not be subject to a tonnage fee under subsection (g) and (l) of this section.

(j) A person who transports hazardous waste shall pay an annual fee of six hundred dollars (\$600.00).

(k) A storage, treatment, or disposal facility shall pay an annual activity fee of one thousand two hundred dollars (\$1,200) for each activity.

(l) A commercial hazardous waste storage, treatment, or disposal facility shall pay annually, in addition to the fees applicable to all hazardous waste storage, treatment or disposal facilities, a single tonnage charge of one dollar and seventy-five cents (\$1.75) per ton or any part thereof of hazardous waste stored, treated, or disposed of at the facility.

(m) An applicant for a permit for a hazardous waste storage, treatment, or disposal facility that proposes to operate as a commercial facility shall pay an application fee for each proposed activity as follows:

- | | |
|------------------------|-----------|
| (1) Storage facility | \$10,000; |
| (2) Treatment facility | \$15,000; |
| (3) Disposal facility | \$25,000. |

(n) The Commission may adopt rules setting fees for modifications to permits. Such fees shall not exceed fifty percent (50%) of the application fee.

(o) Annual fees established under this section are due no later than 31 July for the fiscal year beginning 1 July in the same year. Tonnage fees established under this section are due no later than 31 July for the previous calendar year.

(p) The Department shall make an annual report to the General Assembly and its Fiscal Research Division on the cost of the hazardous waste management program. The report shall include, but is not limited to, beginning fund balance, fees collected under this section, anticipated revenue from all sources, total expenditures (by activities and categories) for the hazardous waste management program, ending fund balance, any recommended adjustments in the annual and tonnage fees which may be necessary to assure the continued availability of funds sufficient to pay the State's share of the

cost of the hazardous waste management program, and any other information requested by the General Assembly.”

Sec. 3. This act shall not be construed to affect any obligation to pay fees due under this section as in effect prior to 1 July 1988.

Sec. 4. Notwithstanding any other provision of law, all fees collected but not expended by the Department of Human Resources under Chapter 773 of the 1987 Session Laws shall, as of the effective date of this act, be placed in the fund created pursuant to G.S. 130A-294.1(d) as set out in section 2 of this act.

Sec. 5. The last sentence of Section 24 of Chapter 876 of the 1987 Session Laws, is repealed.

Sec. 6. The Department of Human Resources shall study the application of tonnage fees imposed by Section 2 of this act to wastewaters. The study shall include an analysis of wastewater tonnage fees in the context of tonnage fees or other waste forms, alternate rates and methods of calculation of wastewater tonnage fees, and the effect of any recommended charges on the overall fee schedule. The Department shall report its findings and recommendations, if any, to the 1989 General Assembly and its Fiscal and General Research Divisions, and may include such findings and recommendations in the report required by G.S. 130A-294.1(p) as set out in Section 2 of this act.

Sec. 7. This act shall become effective 1 July 1988.

In the General Assembly read three times and ratified this the 29th day of June, 1988.

H.B. 2174

CHAPTER 1021

AN ACT TO ALLOW THE COUNTY OF CATAWBA TO IMPOSE FACILITY FEES.

The General Assembly of North Carolina enacts:

Section 1. Purpose. It is the purpose of this act to place an equitable share of the cost of providing new community service facilities upon all new inhabitants and upon those associated with the development process.

Sec. 2. Definitions. The following definitions apply in this act unless the context clearly requires otherwise:

(1) "Capital costs" means costs spent for developing community service facilities; such costs are limited to capital outlay items listed in the "Uniform Local Government Accounting Systems" procedural manual prepared by the North Carolina Local Government Commission.

(2) "Community service facilities" means the following public facilities or improvements provided or established by the local government or in conjunction with other units of government:

- a. Water, sewer, and drainage projects;
- b. Parks, open spaces, and recreational facilities;
- c. Sidewalks, thoroughfare rights-of-way;
- d. Emergency medical services facilities;
- e. Fire stations;
- f. Schools;
- g. Cultural facilities; and
- h. Solid waste collection, handling, and disposal facilities.

No other facility shall be considered as "Community service facilities" under the provisions of this act.

(3) "Developer" means an individual, corporation, partnership, organization, association, firm, political subdivision, or other legal entity constructing or creating new construction.

(4) "Facility fee" means the charge imposed upon new construction pursuant to the grant or authority herein contained.

(5) "New construction" means any new development, construction, or installation that requires any building or zoning permit, certification, or other action permitting real property improvements. The term includes the installation of a mobile home or factory built or modular housing. The term excludes the renovation and repair of existing structures and accessory uses and their structures, unless such renovations and repairs and accessory uses shall cause an increase in the off-street parking requirement or a change in occupancy as occupancy is defined by the North Carolina State Building Code. The term also excludes additions unless such addition causes an increase in the off-street parking requirement or a change in occupancy as occupancy is defined by the North Carolina State Building Code. Further, the term does not include fences, billboards, poles, pipelines, transmission lines, advertising signs or similar structures and improvements that do not generate the need for additional or expanded community facilities upon completion of the additions or improvements.

Sec. 3. Subject to the conditions hereinafter set forth, a county that adopts an ordinance under this act shall have the right, power and authority to impose and collect a regulatory fee as a facility fee on all new construction within its limits and jurisdiction, in accordance with G.S. 153A-122 as if the ordinance had been adopted under Article 6 of Chapter 153A of the General Statutes except that a fee under Section (2)f may be applied notwithstanding G.S. 153A-122.

Sec. 4. (a) No facility fee shall be imposed until the county has caused to be prepared a report containing:

- (1) A description of the anticipated capital cost to the county of each additional or expanded community service facility generated by new construction;
- (2) A description of the relevant characteristics of construction that give rise to additional or expanded community service facilities such as population, trip generation and storm water run-off and flow characteristics; and
- (3) A plan for providing one or more of the community service facilities.

(b) Before adopting or amending a facility fee ordinance authorized by this act, the county board of commissioners shall hold a public hearing on it. A notice of the public hearing shall be given so as to conform with G.S. 160A-364. No facility fee ordinance shall be adopted or amended without first giving the planning board a reasonable opportunity to make comments or recommendations to the county board of commissioners.

(c) The amount of each facility fee imposed and collected shall be based upon reasonable and uniform considerations of capital costs to be incurred by the county as the result of new construction. In establishing the facilities fees to be imposed, the county board of commissioners may divide the county into two or more zones in order to determine the estimated costs of providing any or all of the facilities described herein; such division shall be done only after a public hearing and after the matter has been studied and reported on to the county board of commissioners by the planning board. The facilities fees may be different in different zones, depending upon whether each zone already has certain facilities available and whether or not the capital costs thereof have been paid or are yet to be paid. The facility must bear a direct relationship to additional or expended public capital costs of community service facilities to be rendered for the inhabitants of the area, occupants of the new construction, or those persons, firms or corporations responsible for developing any new development, whether commercial, industrial, residential or otherwise or any other developer.

(d) The amount of each facility fee shall be based upon qualified needs and specific classifications and rates, which shall be uniformly applied to all members. However, the classification shall be based upon the amount, the cost and the extent of the additional burden being placed upon the public facilities by particular types and sizes of development.

(e) Monies for each particular facility for which a facility fee is collected shall be placed in a separate trust fund. All such revenues shall be spent for the capital facilities for which they were collected and such benefits shall not be exclusive, that is, persons or developers

who pay a facility fee hereunder shall not thereby obtain any rights to use public facilities greater than any other member of the public in a similar classification and situation. Separate service areas and zones with separate trust funds may be established.

Sec. 5. The county is authorized to enact ordinances, resolutions, rules and regulations that are necessary or expedient to carry this act into execution and effect.

Sec. 6. The powers conferred in this act shall be supplementary to all other powers and procedures authorized by any other general or local law. Assessments, charges, fees or rates authorized by any other general or local law are not affected by this act.

Sec. 7. The following shall be the procedure for hearing appeals concerning the amount of a facilities fee or concerning the propriety or illegality of any zone division or classification or rate. Any person who feels aggrieved by any action by the county board of commissioners pursuant to this act must first pay the amount of the facilities fee so charged to him, with such amount clearly marked as paid under protest, and thereafter give notice of appeal within a period of 30 days after such payment. Such notice shall be delivered by personal service or registered or certified mail, return receipt requested, directed to the county manager. The county board of commissioners shall hold a public hearing to review said matter within a period of 35 days following receipt of said appeal; the decision by the county board of commissioners upon said appeal shall then be subject to review by the superior court by proceedings in the nature of *certiorari*; any petition for review by the superior court shall be filed with the Clerk of Superior Court of Catawba County within a period of 30 days following the date the decision of the county board of commissioners is delivered in writing to the appealing party, said delivery to be either by personal service or by registered mail or certified mail, return receipt requested.

Sec. 8. This act applies to the County of Catawba only.

Sec. 9. This act is effective upon ratification and shall apply only to projects initiated after the effective date of this act.

In the General Assembly read three times and ratified this the 29th day of June, 1988.

S.B. 849

CHAPTER 1022

AN ACT TO AMEND THE LAW REGARDING SOCIAL SERVICES SUBROGATION AND DISBURSEMENT.

The General Assembly of North Carolina enacts:

Section 1. G.S. 108A-57 reads as rewritten:

"(a) Notwithstanding any other provisions of the law, to the extent of payments under this Part, the State, or the county providing medical assistance benefits, shall be subrogated to all rights of recovery, contractual or otherwise, of the beneficiary of such assistance, or of his personal representative, his heirs, or the administrator or executor of his estate, against any person. It shall be the responsibility of the county attorney or an attorney retained by the county and/or the State or an attorney retained by the beneficiary of the assistance if such attorney has actual notice of payments made under this Part to enforce this section, and said attorney shall be compensated for his services in accordance with the attorneys' fee arrangements approved by the Department; provided, however, that any attorney retained by the beneficiary of the assistance shall be compensated for his services in accordance with the following schedule and in the following order of priority from any amount obtained on behalf of the beneficiary by settlement with, judgment against, or otherwise from a third party by reason of such injury or death:

- (1) First to the payment of any court costs taxed by the judgment;
- (2) Second to the payment of the fee of the attorney representing the beneficiary making the settlement or obtaining the judgment, but this fee shall not exceed one-third of the amount obtained or recovered to which the right of subrogation applies;
- (3) Third to the payment of the amount of assistance received by the beneficiary as prorated with other claims against the amount obtained or received from the third party to which the right of subrogation applies, but the amount shall not exceed one third of the amount obtained or recovered to which the right of subrogation applies; and
- (4) Fourth to the payment of any amount remaining to the beneficiary or his personal representative.

The United States and the State of North Carolina shall be entitled to shares in each net recovery under this section. Their shares shall be promptly paid under this section and their proportionate parts of such sum shall be determined in accordance with the matching formulas in use during the period for which assistance was paid to the recipient."

Sec. 2. This act shall become effective October 1, 1988, and applies to assistance received on and after that date.

In the General Assembly read three times and ratified this the 29th day of June, 1988.

H.B. 2243

CHAPTER 1023

AN ACT MAKING SUNDRY AMENDMENTS CONCERNING
LOCAL GOVERNMENTS IN ORANGE AND CHATHAM
COUNTIES-2.*The General Assembly of North Carolina enacts:*TITLE I. GENERAL LAW BOARD OF ADJUSTMENT
FOR CHAPEL HILL

Sec. 1. Section 5.12 of the Charter of the Town of Chapel Hill, being Chapter 473, Session Laws of 1975 as amended by Section 1(7) of Chapter 693, Session Laws of 1977, as renumbered to be Section 5.11 under G.S. 160A-496, is repealed.

TITLE II. CAMPAIGN REPORTING BY CANDIDATES FOR
MUNICIPAL ELECTION IN THE TOWN OF CHAPEL HILL

Sec. 2. Notwithstanding G.S. 163-278.6(18) and G.S. 163-278.40(2), the provisions of Part 2 of Article 22A of Chapter 163 of the General Statutes are made applicable to municipal elections and election campaigns in the Town of Chapel Hill.

TITLE III. TOWING OF ILLEGALLY PARKED VEHICLES
FROM PARKING LOTS OWNED BY THE TOWN
OF CHAPEL HILL

Sec. 3. (a) The governing board of a town may enact reasonable ordinances with respect to the parking of motor vehicles in any off-street parking facilities owned by that town and to enforce those ordinances.

(b) Any motor vehicle parked in a town-owned parking lot, when such lot is clearly designated as such by a sign no smaller than 24 inches by 24 inches stating the ordinance regulations with respect to that lot and prominently displayed at the entrance thereto, in violation of an ordinance adopted pursuant to this act may be removed from such lot to a place of storage operated by the town and the registered owner of that vehicle shall become liable for removal and storage charges. No person acting as an agent for the town shall be held to answer in any civil or criminal action to any owner, lienholder, or other person legally entitled to the possession of any motor vehicle removed pursuant to this act except where such motor vehicle is willfully, maliciously or negligently damaged in the removal from aforesaid lot to place of storage.

(c) This section applies to the Town of Chapel Hill only.

TITLE IV. PITTSBORO ANNEXATIONS

Sec. 4.1. The provisions of G.S. 160A-58.1(b)(5) shall not apply to the Town of Pittsboro as to any ordinance adopted under G.S. 160A-58.2 on or before December 31, 1988.

Sec. 4.2. (a) The following tract or parcel of land is annexed into the Town of Pittsboro:

Beginning at the intersection of the existing Pittsboro town limits and the northern right-of-way of Thompson Street, thence with the northern right-of-way of Thompson Street to a point due north of Mrs. Henry White's northwest corner, thence with Mrs. White's line in a southwesterly direction to an iron stake; thence continuing in a southwesterly direction to Chart's Branch; thence down the various courses of said Branch to the southern bank of Roberson's Creek; thence with the southern bank of Roberson's Creek to the existing town limits; thence with the existing town limits to the point of Beginning.

(b) This section shall become effective on the date of ratification of this act or June 30, 1988, whichever is later.

Sec. 5. This act is effective upon ratification.

In the General Assembly read three times and ratified this the 29th day of June, 1988.

S.B. 656

CHAPTER 1024

AN ACT TO EXTEND THE EXPIRATION FOR THE PAYMENT OF JUST COMPENSATION BY LOCAL AUTHORITIES REQUIRING THE REMOVAL OF BILLBOARDS WHICH ARE PERMITTED UNDER THE PROVISIONS OF ARTICLE 11 OF CHAPTER 136 OF THE GENERAL STATUTES.

The General Assembly of North Carolina enacts:

Section 1. Section 1 of Chapter 318 of the 1983 Session Laws reads as rewritten:

"Section 1. Chapter 1147 of the Session Laws of 1981 (Regular Session 1982) is amended by deleting from Section 2 the words and figures 'June 30, 1984' and inserting the words and figures 'June 30, ~~1989~~ 1990'."

Sec. 1.1. This act does not affect litigation pending on the effective date of this act, unless the failure to apply this act would cause the loss of any federal highway aid or other federal aid.

Sec. 2. This act is effective upon ratification.

In the General Assembly read three times and ratified this the 30th day of June, 1988.

H.B. 331

CHAPTER 1025

AN ACT TO PROVIDE A GOVERNANCE STRUCTURE FOR THE DEPARTMENT OF PUBLIC EDUCATION.

The General Assembly of North Carolina enacts:

Section 1. G.S. 115C-12(3) and (4) are repealed.

Sec. 2. Article 4 of Chapter 115C of the General Statutes is repealed.

Sec. 3. G.S. 115C-12 is amended by adding a new sentence after the first sentence to read:

"The State Board of Education shall establish policy for the system of free public schools, subject to laws enacted by the General Assembly."

Sec. 4. G.S. 115C-19 is amended by adding a new sentence at the end to read:

"The Superintendent of Public Instruction shall administer the policies adopted by the State Board of Education."

Sec. 5. The first sentence of G.S. 115C-21(a)(1) is rewritten to read:

"To organize and establish a Department of Public Instruction which shall include such divisions and departments as are necessary for supervision and administration of the public school system."

Sec. 6. G.S. 115C-21(a)(5) is rewritten to read:

"(5) To have under his direction, in his capacity as the constitutional head of the public school system, all those matters relating to the supervision and administration of the public school system."

Sec. 7. G.S. 115C-21(b)(1) is rewritten to read:

"(1) To administer through the Department of Public Instruction, all policies established by the Board."

Sec. 8. G.S. 115C-21(b)(8) is amended by deleting the words "and the controller".

Sec. 9. G.S. 115C-47(21) is amended by deleting the words "controller of the".

Sec. 10. The first sentence of G.S. 115C-90 is rewritten to read:

"The publishers' sealed bids shall be opened in the presence of two persons designated by the State Board of Education and one person designated by the Superintendent of Public Instruction."

Sec. 11. The fourth sentence of G.S. 115C-275 is amended by deleting the words "and the controller of the State Board of Education".

Sec. 12. G.S. 115C-276(n) is amended by deleting the words "controller of the".

Sec. 13. G.S. 115C-432(d) is amended by deleting the words "Controller of the".

Sec. 14. The seventh sentence of G.S. 115C-447 is amended by deleting the words "Controller of the".

Sec. 15. Except as otherwise provided in this act, Chapter 115C of the General Statutes is amended by deleting the language "controller of the State Board of Education", "Controller of the State Board of Education", "controller", or "Controller", and substituting the language "State Board of Education".

Sec. 16. The Office of the Controller of the State Board of Education is transferred to the Department of Public Instruction. This transfer shall have all of the elements of a Type I transfer, as that term is defined in G.S. 143A-6(a).

Sec. 17. This act shall become effective February 1, 1989.

In the General Assembly read three times and ratified this the 30th day of June, 1988.

H.B. 473

CHAPTER 1026

AN ACT TO AMEND THE CHARLOTTE CITY CHARTER WITH RESPECT TO AUXILIARY POLICE AND FIRE OFFICERS.

The General Assembly of North Carolina enacts:

Section 1. Section 4.61(16) of the Charlotte City Charter, being Chapter 713, Session Laws of 1965, as added by Chapter 449, Session Laws of 1979, reads as rewritten:

"(16) The City Council may authorize the City Manager to appoint auxiliary officers of the Fire and Police Departments without previous examinations by the Civil Service Board, who, ~~when called to duty by the Chief of their respective departments~~ subject to such rules and conditions as the Chiefs of their respective departments shall prescribe, shall have all the powers and duties of regular members of the Police and Fire Departments. Such auxiliary officers of the said departments shall be subject to discharge by the City Manager, with or without cause, and without a hearing before the Civil Service Board."

Sec. 2. This act is effective upon ratification.

In the General Assembly read three times and ratified this the 30th day of June, 1988.

H.B. 657

CHAPTER 1027

AN ACT TO MODIFY THE PROVISIONS OF G.S. 159-64 AS APPLIED TO BONDS AUTHORIZED DURING THE CALENDAR YEAR 1981 EXTENDING THE TIME WITHIN WHICH SUCH BONDS MAY BE ISSUED.

The General Assembly of North Carolina enacts:

Section 1. G.S. 159-64 is amended by striking out the words "seven years" in the first sentence thereof and inserting in lieu thereof the words "ten years".

Sec. 2. The provisions of this act shall apply only to bonds authorized during the period January 1, 1981, through December 31, 1981.

Sec. 3. All laws in conflict with the provisions of this act are hereby repealed.

Sec. 4. This act is effective upon ratification.

In the General Assembly read three times and ratified this the 30th day of June, 1988.

H.B. 858

CHAPTER 1028

AN ACT TO PROHIBIT WITHDRAWAL OF CANDIDACY AFTER FILING DEADLINE AND TO ADDRESS OTHER CAMPAIGN AND ELECTION MATTERS.

The General Assembly of North Carolina enacts:

-----NO WITHDRAWING NOTICE OF CANDIDACY IN PRIMARY AFTER FILING DEADLINE.

Section 1. Effective with respect to elections held on or after January 1, 1989, G.S. 163-106(e) reads as rewritten:

"(e) Withdrawal of Notice of Candidacy. -- Any person who has filed notice of candidacy for an office shall have the right to withdraw it at any time prior to the date on which the right to file for that office expires under the terms of subsection (c) of this section. If a candidate does not withdraw before the filing deadline, except as provided in G.S. 163-112, his name shall be printed on the primary ballot, any votes for him shall be counted, and he shall not be refunded his filing fee."

-----THRESHOLD OF \$500.00 FOR CAMPAIGN FINANCIAL REPORTING.

Sec. 2. Effective with respect to elections held on or after January 1, 1989, Chapter 163 of the General Statutes is amended by inserting a new section to read:

"§ 163-278.10A. *Threshold of \$500.00 for Financial Reports.*--Notwithstanding any other provision of this Chapter, no candidate who receives in contributions or expends \$500.00 or less shall be required to file any of the contribution and expenditure reports required in G.S. 163-278.9(a) or 163-278.40B, 278.40C, 278.40D, or 278.40E. To qualify for the exemption from those reports, the candidate's treasurer shall file a certification under oath that he does not intend to receive in contributions or expend more than \$500.00 to further his campaign. The certification shall be filed

with the Board at the same time the candidate files his Organizational Report as required in G.S. 163-278.7, G.S. 163-278.9, and G.S. 163-278.40A. If the candidate's campaign is being conducted by a political committee which is handling all contributions and expenditures for his campaign, the treasurer of the political committee shall file a certification of intent to stay within the threshold amount. If the intent to stay within the threshold changes, or if the \$500.00 threshold is exceeded, the treasurer shall immediately notify the Board and shall be responsible for filing all reports required in G.S. 163-278.9 and 163-278.40B, 278.40C, 278.40D, and 278.40E; provided that any contribution or expenditure which would have been required to be reported on an earlier report but for this section shall be included on the next report required after the intent changes or the threshold is exceeded."

-----ECONOMIC INTEREST REPORTING.

Sec. 3. Effective January 1, 1989, Chapter 120 of the General Statutes is amended by repealing G.S. 120-91, 120-95, 120-97, and the final sentence of G.S. 120-92.

Sec. 4. Effective January 1, 1989, G.S. 120-98(a) reads as rewritten:

"(a) ~~In the case of a candidate, if~~ If a candidate does not file the statement of economic interest within the time required by this Article is not filed when required herein, the county board of elections shall immediately serve notice on the candidate by registered mail, restricted delivery to addressee only, that, his name will not be placed on the ballot. ~~If if the statement is not received within 15 days after receiving notice, the candidate shall not be certified as the nominee of his party. If the statement is not received within 15 days of notification, the board of elections authorized to certify a candidate as nominee to the office shall not certify the candidate as nominee under any circumstances, regardless of the number of candidates for the nomination and regardless of the number of votes the candidate receives in the primary, be disqualified and his filing fee returned. A vacancy thus created on a party's ticket shall be considered a vacancy for the purposes of G.S. 163-114, and shall be filled according to the procedures set out in G.S. 163-114."~~

Sec. 5. Effective January 1, 1989, G.S. 120-98(b) is repealed.

-----DEADLINE FOR FILING ANNUAL CAMPAIGN FINANCIAL REPORT.

Sec. 6. Effective with respect to elections held on or after September 1, 1988, G.S. 163-278.9(a)(6) reads as rewritten:

"(6) Annual Reports. -- If contributions are received or expenditures made during a calendar year, for which no reports are otherwise required by this Article, any and all such contributions and expenditures shall be reported by ~~January 7~~ the last Friday in January

of the following year."

Sec. 7. Effective with respect to elections held on or after September 1, 1988, G.S. 163-278.40B(4) reads as rewritten:

"(4) Annual Report. -- If contributions are received or expenditures made during a calendar year, for which no reports are otherwise required by this section, any and all contributions and expenditures shall be reported by ~~January 7~~ the last Friday in January of the following year."

Sec. 8. Effective with respect to elections held on or after September 1, 1988, G.S. 163-278.40C(3) reads as rewritten:

"(3) Annual Report. -- If contributions are received or expenditures made during a calendar year, for which no reports are otherwise required by this section, any and all such contributions and expenditures shall be reported by ~~January 7~~ the last Friday in January of the following year."

Sec. 9. Effective with respect to elections held on or after September 1, 1988, G.S. 163-278.40D(3) reads as rewritten:

"(3) Annual Report. -- If contributions are received or expenditures made during a calendar year, for which no reports are otherwise required by this section, any and all contributions and expenditures shall be reported by ~~January 7~~ the last Friday in January of the following year."

Sec. 10. Effective with respect to elections held on or after September 1, 1988, G.S. 163-278.40E(3) reads as rewritten:

"(3) Annual Report. -- If contributions are received or expenditures made during a calendar year, for which no reports are otherwise required by this section, any and all such contributions and expenditures shall be reported by ~~January 7~~ the last Friday in January of the following year."

-----CLARIFICATION OF APPEAL PROCEDURE FOR CHALLENGES.

Sec. 11. Effective with respect to challenges made on or after the date of ratification of this act, G.S. 163-90.2 is amended by adding a new subsection to read:

"(d) A decision by a county board of elections on any challenge made under the provisions of this Article shall be appealable to the Superior Court of the county in which the offices of that board are located within 10 days. Only those persons against whom a challenge is sustained or persons who have made a challenge which is overruled shall have standing to file such appeal."

-----REPLACING OF REGISTRARS AND JUDGES.

Sec. 12. This section is effective upon ratification, except that if any person was appointed a registrar or judge of election during calendar year 1988 by the chairman of the county board of elections

because a vacancy occurred, the term of office of the person appointed shall expire September 1, 1988, unless the successor was a person nominated by the chairman of the county political party of the vacating officer. G.S. 163-41(a) reads as rewritten:

"(a) Appointment of Registrar and Judges. -- At the meeting required by G.S. 163-31 to be held on the Tuesday following the third Monday in August of the year in which they are appointed, the county board of elections shall appoint one person to act as registrar and two other persons to act as judges of election for each precinct in the county. Their terms of office shall continue for two years from the specified date of appointment and until their successors are appointed and qualified. It shall be their duty to conduct the primaries and elections within their respective precincts. Persons appointed to these offices must be registered voters and residents of the precinct for which appointed, of good repute, and able to read and write. Not more than one judge in each precinct shall belong to the same political party as the registrar.

The term 'precinct official' shall mean registrars and judges appointed pursuant to this section, and all assistants appointed pursuant to G.S. 163-42, unless the context of a statute clearly indicates a more restrictive meaning.

No person shall be eligible to serve as a precinct official, as that term is defined above, who holds any elective office under the government of the United States, or of the State of North Carolina or any political subdivision thereof.

No person shall be eligible to serve as a precinct official who is a candidate for nomination or election.

No person shall be eligible to serve as a precinct official who holds any office in a state, congressional district, county, or precinct political party or political organization, or who is a manager or treasurer for any candidate or political party, provided however that the position of delegate to a political party convention shall not be considered an office for the purpose of this subsection.

The chairman of each political party in the county where possible shall recommend two registered voters in each precinct who are otherwise qualified, are residents of the precinct, have good moral character, and are able to read and write, for appointment as registrar in the precinct, and he shall also recommend where possible the same number of similarly qualified voters for appointment as judges of election in that precinct. If such recommendations are received by the county board of elections no later than the fifth day preceding the date on which appointments are to be made, it must make precinct appointments from the names of those recommended. Provided that if only one name is submitted by the fifth day preceding the date on

which appointments are to be made, by a party for judge of election by the chairman of one of the two political parties in the county having the greatest numbers of registered voters in the State, the county board of elections must appoint that person.

If, at any time other than on the day of a primary or election, a registrar or judge of election shall be removed from office, or shall die or resign, or if for any other cause there be a vacancy in a precinct election office, the chairman of the county board of elections shall appoint another in his place, promptly notifying him of his appointment. If at all possible, the chairman of the county board of elections shall consult with the county chairman of the political party of the vacating official, and if the chairman of the county political party nominates a qualified voter of that precinct to fill the vacancy, the chairman of the county board of elections shall appoint that person. In filling such a vacancy, the chairman shall appoint a person who belongs to the same political party as that to which the vacating member belonged when appointed. If the chairman of the county board of elections did not appoint a person upon recommendation of the chairman of the party to fill such a vacancy, then the term of office of the person appointed to fill the vacancy shall expire upon the conclusion of the next canvass held by the county board of elections under this Chapter, and any successor must be a person nominated by the chairman of the party of the vacating officer.

If any person appointed registrar shall fail to be present at the voting place at the hour of opening the polls on primary or election day, or if a vacancy in that office shall occur on primary or election day for any reason whatever, the precinct judges of election shall appoint another to act as registrar until such time as the chairman of the county board of elections shall appoint to fill the vacancy. If such appointment by the chairman of the county board of elections is not a person nominated by the county chairman of the political party of the vacating officer, then the term of office of the person appointed to fill the vacancy shall expire upon the conclusion of the next canvass held by the county board of elections under this Chapter. If a judge of election shall fail to be present at the voting place at the hour of opening the polls on primary or election day, or if a vacancy in that office shall occur on primary or election day for any reason whatever, the registrar shall appoint another to act as judge until such time as the chairman of the county board of elections shall appoint to fill the vacancy. Persons appointed to fill vacancies shall, whenever possible, be chosen from the same political party as the person whose vacancy is being filled, and all such appointees shall be sworn before acting.

As soon as practicable, following their training as prescribed in G.S. 163-80(d), each registrar and judge of elections shall take and

subscribe the following oath of office to be administered by an officer authorized to administer oaths and file it with the county board of elections:

'I,, do solemnly swear (or affirm) that I will support the Constitution of the United States; that I will be faithful and bear true allegiance to the State of North Carolina, and to the constitutional powers and authorities which are or may be established for the government thereof; that I will endeavor to support, maintain and defend the Constitution of said State not inconsistent with the Constitution of the United States; that I will administer the duties of my office as registrar of (judge of elections in) precinct,..... County, without fear or favor; that I will not in any manner request or seek to persuade or induce any voter to vote for or against any particular candidate or proposition; and that I will not keep or make any memorandum of anything occurring within a voting booth, unless I am called upon to testify in a judicial proceeding for a violation of the election laws of this State; so help me, God.'

Notwithstanding the previous paragraph, a person appointed registrar by the judges of election under this section, or appointed judge of election by the registrar under this section may take the oath of office immediately upon appointment.

Before the opening of the polls on the morning of the primary or election, the registrar shall administer the oath set out in the preceding paragraph to each assistant, and any judge of elections not previously sworn, substituting for the words 'registrar of' the words 'assistant in' or 'judge of elections in' whichever is appropriate."

-----COUNTING OF VOTES IN MULTI-SEAT RACE WHERE VOTER MARKS STRAIGHT-TICKET, THEN MARKS LESS THAN A FULL SLATE OF THAT PARTY'S NOMINEES.

Section 13. Effective with respect to elections held on or after September 1, 1988, G.S. 163-170.1 reads as rewritten:

"§ 163-170.1. *Counting of ballots in multi-seat races where voter votes straight-party ticket and for individual candidates of that party but not for individual candidates of another party.*--Notwithstanding any other provision of this act, in the case of a multi-seat race, if a voter votes a straight-party ticket, and also votes for individual candidates of that party but not for individual candidates of another party, the ballot shall be counted for that office only for the individual candidates so marked for all the candidates for that multi-seat race of the party whose straight ticket has been marked. The State Board of Elections shall by regulation directive amend the instructions provided by this act, if necessary, to effectuate this section."

-----EFFECTIVE DATES.

Sec. 14. This act is effective as provided herein.

In the General Assembly read three times and ratified this the 30th day of June, 1988.

H.B. 2263

CHAPTER 1029

AN ACT TO RESTORE THE MAYOR-COUNCIL FORM OF GOVERNMENT IN THE TOWN OF LANDIS.

The General Assembly of North Carolina enacts:

Section 1. Chapter 13, Session Laws of 1987 is repealed.

Sec. 2. This act is effective upon ratification.

In the General Assembly read three times and ratified this the 30th day of June, 1988.

H.B. 2290

CHAPTER 1030

AN ACT TO EXTEND THE TIME DURING WHICH THE CHEROKEE AND HAYWOOD BOARDS OF EQUALIZATION AND REVIEW MAY SIT.

The General Assembly of North Carolina enacts:

Section 1. G.S. 105-322(e) reads as rewritten:

"(e) Time of Meeting. -- Each year the board of equalization and review shall hold its first meeting not earlier than the first Monday in April and not later than the first Monday in May. The board shall complete its duties on or before the third Monday following its first meeting unless, in its opinion, a longer period of time is necessary or expedient to a proper execution of its responsibilities. In no event shall the board sit later than ~~July 1~~ October 1 except to hear and determine requests made under the provisions of subdivision (g)(2), below, when such requests are made within the time prescribed by law. From the time of its first meeting until its adjournment, the board shall meet at such times as it deems reasonably necessary to perform its statutory duties and to receive requests and hear the appeals of taxpayers under the provisions of subdivision (g)(2), below."

Sec. 2. This act applies to Cherokee and Haywood Counties only.

Sec. 3. This act is effective upon ratification and shall expire January 1, 1989.

In the General Assembly read three times and ratified this the 30th day of June, 1988.

H.B. 2369

CHAPTER 1031

AN ACT TO CORRECT CHAPTER 837 OF THE 1987 SESSION LAWS, RELATING TO LIMITS ON COSTS TO BE ASSESSED FOR THE SUPPORT OF THE GENERAL COURT OF JUSTICE IN THE ADMINISTRATION OF ESTATES.

The General Assembly of North Carolina enacts:

Section 1. Section 3 of Chapter 837 of the 1987 Session Laws reads as rewritten:

"Sec. 3. This act shall become effective ~~with respect to estates of decedents dying on or after~~ October 1, 1987, and applies to all costs assessed pursuant to G.S. 7A-307 on or after that date."

Sec. 2. G.S. 59-106(a) is amended in the first and second lines by deleting the words "its registered office" immediately before the colon and substituting the words "an office in this State".

Sec. 3. G.S. 59-201(a) is amended by adding a new subdivision to read:

"(5) The address, including county and city or town, and street and number, if any, of the office at which the records referred to in G.S. 59-106 are kept, if such records are not kept at the registered office."

Sec. 4. G.S. 66-68(a) through (c) reads as rewritten:

"(a) Unless exempt under subsection (e) hereof, before any person or general partnership ~~other than a limited partnership~~ engages in business in any county in this State under an assumed name or under any designation, name or style other than the real name of the owner or owners thereof, before any limited partnership engaged in business in any county in this State other than under the name set out in the Certificate filed with the Office of the Secretary of State or before a corporation engages in business in any county other than under its corporate name, such person, partnership, limited partnership, or corporation must file in the office of the register of deeds of such county a certificate giving the following information:

- (1) The name under which the business is to be conducted;
- (2) The name and address of the owner, or if there is more than one owner, the name and address of each.

(b) If the owner is an individual or a partnership, the certificate must be signed and duly acknowledged by the individual owner, or by each general partner. If the owner is a corporation, it must be signed in the name of the corporation and duly acknowledged as provided by G.S. 47-41.

(c) Whenever a general partner withdraws from or a new general partner joins a partnership, a new certificate shall be filed. For limited partnerships, the requirement of this subsection (c) shall be deemed satisfied if the partnership is identified as the owner as provided in subsection (a) and the partnership's certificate of limited partnership is amended as provided in G.S. 59-202."

Sec. 5. Sections 1 and 4 are effective upon ratification. Sections 2 and 3 shall become effective August 1, 1988.

In the General Assembly read three times and ratified this the 30th day of June, 1988.

H.B. 2429

CHAPTER 1032

AN ACT TO PROVIDE AN ADDITIONAL ONE THOUSAND ONE HUNDRED DOLLARS INCOME TAX EXEMPTION FOR TAXPAYERS AND THEIR DEPENDENTS WITH TRANSPLANTED ORGANS OR TISSUES.

The General Assembly of North Carolina enacts:

Section 1. G.S. 105-149(a) is amended by adding after subdivision (8h) a new subdivision to read:

"(8i) In the case of an individual who has, or whose dependent has, received an organ or tissue transplant because of which he is required, of medical necessity, to take immunosuppressant medications for the remainder of his life to suppress organ or tissue rejection and potential resulting loss of life or health, an additional exemption of one thousand one hundred dollars (\$1,100) for that individual or dependent. This exemption is in addition to all other exemptions allowed by this subsection. To claim this exemption, a taxpayer must attach to the tax return on which he claims the exemption a certificate from a physician or county health department certifying that the individual or dependent for whom the exemption is claimed is the recipient of an organ or tissue transplant and is required to take immunosuppressant medications to suppress rejection of the transplanted organ or tissue."

Sec. 2. This act is effective for taxable years beginning on or after January 1, 1988.

In the General Assembly read three times and ratified this the 30th day of June, 1988.

S.B. 1606

CHAPTER 1033

AN ACT TO AMEND CHAPTER 926 OF THE 1947 SESSION LAWS, AS REWRITTEN BY CHAPTER 506, 1987 SESSION LAWS, REGARDING THE CHARLOTTE FIREFIGHTERS' RETIREMENT SYSTEM.

The General Assembly of North Carolina enacts:

Section 1. Subdivision (7) of Section 2 of Chapter 926 of the 1947 Session Laws, as rewritten by Chapter 506 of the 1987 Session Laws reads as rewritten:

"(7) 'Board of Trustees', 'Board' or 'Trustee' means the Board of Trustees of the Charlotte Firefighters' Retirement System, as specified in Section ~~6.03~~, 29, or any individual member thereof."

Sec. 2. Subdivision (9) of Section 2 of Chapter 926 of the 1947 Session Laws, as rewritten by Chapter 506 of the 1987 Session Laws reads as rewritten:

"(9) 'Compensation' means the remuneration earned by a Member for services performed as an employee of the Charlotte Fire Department and for which contributions are made to the System. Compensation shall include regular wages, longevity pay, overtime (hire-back) pay, bonus payments, funeral leave, jury duty, used vacation pay, used sick leave, paid military reserve duty (paid by City), used compensatory and court time, and used holiday pay. Compensation also includes any amounts for which contributions are made by a Member to receive Membership Service Credit for any period(s) of workers' compensation and/or accident and sickness benefits pursuant to the provisions of Section 4. Compensation does not include terminal payments for unused sick leave, unused vacation pay, unused compensatory and court time, and/or unused holiday pay. Also, Compensation does not include worker's compensation payments and/or supplemental payments from the City, accident and sickness benefits, reimbursement for scheduled and/or unscheduled mileage, and/or remuneration from the city for services performed outside his employment with the Charlotte Fire Department. For the purpose of calculating a Member's Final Average Salary, any lump sum payments for which contributions were made to the System, such as longevity pay and bonus payments, and received by said Member within two consecutive years of Membership Service shall be apportioned over the previous Membership Service for which the payment(s) was earned."

Sec. 3. Subdivision (21) of Section 2 of Chapter 926 of the 1947 Session Laws, as rewritten by Chapter 506 of the 1987 Session Laws reads as rewritten:

"(21) 'Year' or 'Plan Year' means the twelve months from July 1st through June 30th 30."

Sec. 4. Section 5 of Chapter 926 of the 1947 Session Laws, as rewritten by Chapter 506 of the 1987 Session Laws reads as rewritten:

"Sec. 5. *Reinstatement of Membership Service Credit Previously Forfeited.* Membership Service Credit shall be credited for previous Membership Service for a Member who is reemployed by the Charlotte Fire Department within five years of the termination date of his previous employment, and provided the Member has not received reimbursement of his Total Contributions pursuant to the provisions of this act. Any Member who is reemployed by the Charlotte Fire Department ~~on or before December 31, 1958, January 1, 1959, shall receive Membership Service Credit for all previous membership employment in said department. Any Member who was reemployed by the Charlotte Fire Department ~~after December 31, 1958, January 1, 1959, and has previously received reimbursement of his Total Contributions pursuant to the provisions of this act, shall receive no Membership Service Credit for any previous membership employment with the Charlotte Fire Department."~~~~

Sec. 5. Section 7 of Chapter 926 of the 1947 Session Laws, as rewritten by Chapter 506 of the 1987 Session Laws reads as rewritten:

"Sec. 7. *Purchase of Active Military Duty.* Membership Service Credit may be purchased for credit upon the completion of ten ~~or more~~ years of Membership Service Credit, ~~prior to termination of membership or retirement,~~ . Effective July 1, 1988, the purchase of such Membership Service Credit must occur before the completion of 13 years of Membership Service Credit, or by October 7, 1990, whichever is later, prior to termination of membership or retirement, by any Member who served on active duty in the Armed Forces of the United States of America prior to his employment with the Charlotte Fire Department. The amount of Membership Service Credit to be credited to a Member will be equal to the actual active military duty by the Member not to exceed five years and shall be credited upon the payment of the required contributions as determined by the Administrator, provided that the Membership Service to be so credited shall not be credited in any other retirement system, except the national guard or any reserve component of the Armed Forces of the United States. The required contributions shall be an amount equal to the annualized Compensation rate the Member earned when he first entered membership in the Retirement System, multiplied by the sum of the Member and the City of Charlotte contribution rates in effect at the time when he first entered membership in the Retirement System, increased by five percent (5%) compounded per annum from the date of membership to the date of the payment of the required contributions and multiplied by the number of years and days of Membership

Service to be credited."

Sec. 6. Subsection (a) of Section 10 of Chapter 926 of the 1947 Session Laws, as rewritten by Chapter 506 of the 1987 Session Laws reads as rewritten:

"(a) If a Member with less than ten years of Membership Service Credit with this Retirement System shall cease employment with the Charlotte Fire Department, whether voluntary or involuntary, said former Member shall thereupon cease membership and shall be entitled to reimbursement of the Total Contributions made by or on his behalf to the Retirement System, excluding any contributions made on the former Member's behalf by the City of Charlotte under the provisions of Section 25 of this act without interest. A former Member desiring reimbursement of said contributions must complete and file the form 'Application for Refund of Accumulated Contributions' with the Administrator within five years of the termination date of his employment. Should a former Member fail to complete and file said form with the Administrator within such five years, the ~~Former Members~~ former Member shall receive reimbursement of said contributions."

Sec. 7. Subsection (a) of Section 11 of Chapter 926 of the 1947 Session Laws, as rewritten by Chapter 506 of the 1987 Session Laws reads as rewritten:

"(a) Effective July 1, 1986, if a Member with ten or more years of Membership Service Credit with this Retirement System shall cease employment with the Charlotte Fire Department, whether voluntary or involuntary, said Member shall receive his Accrued Benefit and defer such benefit until the participant reaches age 60 years. The Accrued Benefit shall be calculated pursuant to the provisions of Sections 15 and 17 of this act in effect on the last day of work by said Participant. If such Participant dies before applying for his deferred benefits and attaining age 60 years, reimbursement of the Participant's contributions may be accomplished in the same manner and in all respects as in Section 10 of this act."

Sec. 8. Section 14 of Chapter 926 of the 1947 Session Laws, as rewritten by Chapter 506 of the 1987 Session Laws reads as rewritten:

"Sec. 14. *Retirement of Member.* Upon his retirement pursuant to the provisions of this act, a Member shall thereupon cease membership in the Charlotte Firefighters' Retirement ~~System~~ System."

Sec. 9. Subsection (b) of Section 17 of Chapter 926 of the 1947 Session Laws, as rewritten by Chapter 506 of the 1987 Session Laws reads as rewritten:

"(b) Prior to his retirement, but not thereafter, a Member may elect to receive an Actuarial Equivalent, computed as of the effective date of his retirement, of his basic benefit from subsection (a) of this

section in a reduced monthly amount payable throughout his life, and nominate a Beneficiary in accordance with the provisions of option 1, 2, 3, 4, 5 or 6 as set forth below. Actuarial Equivalent for all Members retiring prior to July 1, 1987, shall be computed in accordance with the Group Annuity Table for 1951 with interest at four percent (4%). Actuarial Equivalent for all Members retiring ~~on or after July 1, 1987,~~ after June 30, 1987, shall be computed in accordance with the Unisex Mortality Table for 1984 set forward one year in age with interest at six percent (6%). If a Member does not have an option election in force at the time of his retirement, his monthly benefit shall be paid as the basic benefit."

Sec. 10. Subsection (h) of Section 17 of Chapter 926 of the 1947 Session Laws, as rewritten by Chapter 506 of the 1987 Session Laws reads as rewritten:

"(h) Option 6. A Retiree may elect any of Options 2 through 5 with the added provision that in the event the Designated Beneficiary predeceases the Retiree, the monthly benefit payable to the Retiree after the Beneficiary's death shall be equal to the basic benefit. Such election will result in a benefit that is further reduced than the corresponding benefit payable under Options 2 through 5 if this Option 6 has not been elected. The intent of this additional reduction is to support the additional cost of this election."

Sec. 11. Subsection (i) of Section 17 of Chapter 926 of the 1947 Session Laws as rewritten by Chapter 506 of the 1987 Session Laws reads as rewritten:

"(i) In the event that a Retiree who named his spouse as Beneficiary in accordance with the provisions of ~~this subsection~~ Options 1 through 6 and shall subsequently become divorced from the named Beneficiary, the Retiree may then elect a life annuity which shall be the Actuarial Equivalent of the value of all future benefit payments under the option then in effect upon written request to the Board of Trustees provided such request is not inconsistent with the terms of the divorce decree. It is the Retiree's responsibility to provide all pertinent documentation."

Sec. 12. Subsection (f) of Section 19 of Chapter 926 of the 1947 Session Laws as rewritten by Chapter 506 of the 1987 Session Laws reads as rewritten:

"(f) The Board of Trustees shall have the authority and may require any disability Retiree who has not attained age 70 years to undergo a medical reexamination at any time not to exceed one reexamination per year by or under the direction of the Medical Board to determine if the medical condition for which the disability retiree was retired still exists. Upon such medical reexamination, if the disability Retiree is found able to perform active duty with the Charlotte Fire Department by the Board of Trustees, he shall be

reinstated in a position equal in rank to his rank at the time he was retired as soon as such position becomes available in the Charlotte Fire Department. Refusal by the disability Retiree to submit to such medical reexamination or refusal to return to work as a result of finding by the Board of Trustees based on a medical reexamination shall cause all retirement benefits to cease forthwith and such person shall be entitled to apply for reimbursement of the balance, if any, of his contributions to the Retirement System in the same manner and in all respects as in Section 10 of this act."

Sec. 13. Subsection (g) of Section 19 of Chapter 926 of the 1947 Session Laws as rewritten by Chapter 506 of the 1987 Session Laws reads as rewritten:

"(g) Effective July 1, 1986, upon retirement pursuant to the provisions of this ~~Section~~, section, a Member shall receive a monthly benefit equal to seventy-two percent (72%) of his final average salary, ~~not to exceed one hundred percent (100%) of Final Average Salary~~, but not less than five hundred dollars (\$500.00) per month. Effective July 1, 1987, upon retirement pursuant to the provisions of this ~~Section~~, section, a Member shall receive a monthly benefit equal to the greater of seventy-two percent (72%) or two and four-tenths percent (2.4%) multiplied by his Membership Service, of his Final Average Salary, not to exceed one hundred percent (100%) of Final Average Salary, but not less than five hundred dollars (\$500.00) per month. Effective July 1, 1988, prior to his retirement pursuant to the provisions of this section, but not thereafter, a Member may elect to receive an Actuarial Equivalent, computed as of the effective date of his retirement, of his monthly disability benefit from this subsection in a reduced monthly amount payable throughout his life, and nominate a Beneficiary in accordance with the provisions of the Option 5, Fifty Percent (50%) Joint and Survivor Benefit, as set forth in subsection (g) of Section 17. Actuarial Equivalent for all Members retiring pursuant to this section shall be computed in accordance with the Unisex Mortality Table for 1984 set forward one year in age with interest at six percent (6%). Benefits payable under this Section shall be effective on the date of approval by the Board of Trustees or upon exhaustion of worker's compensation benefits, whichever is later."

Sec. 14. Section 19 of Chapter 926 of the 1947 Session Laws as rewritten by Chapter 506 of the 1987 Session Laws is amended by adding a new subsection to the end to read:

"(h) Upon the reinstatement of a disability retiree to active duty following a medical reexamination pursuant to the provisions of this section any subsequent benefit paid by the System shall be based on the length of service after reinstatement with the Charlotte Fire

Department.

- (1) Where a reinstated member serves less than one year after his reinstatement before retirement, his accrued benefit upon retirement shall be as follows:
 - a. The total accrued benefit credited between his reinstatement and subsequent retirement as computed in accordance with the provisions in effect on the date of the member's subsequent retirement; plus
 - b. The total accrued benefit credited at the time of his effective date of disability retirement as computed in accordance with provisions in effect on the date of his disability retirement.
- (2) Where a reinstated member serves more than one year, but less than three years, after his reinstatement before retirement, his accrued benefit upon retirement shall be as follows:
 - a. The total accrued benefit credited between his reinstatement and subsequent retirement as computed in accordance with the provisions in effect on the date of the member's subsequent retirement; plus
 - b. The total accrued benefit credited on the effective date of his disability retirement as computed by applying both the provisions in effect on the date of the member's subsequent retirement and the provisions in effect on the date of the member's disability retirement. The provisions in effect on the date of the member's subsequent retirement shall be applied to one-third of the accrued benefit credited on the effective date of the member's disability retirement for each year served following reinstatement. The remaining portion of the member's accrued benefit credited on the date of his disability retirement shall be computed in accordance with provisions in effect on the effective date of the member's disability retirement. For periods greater than one calendar year, but less than three calendar years, the provisions in effect on the date of the member's subsequent retirement and the provisions in effect on the date of the member's disability retirement shall be applied proportionally to the remaining accrued benefit credited on the effective date of the member's disability retirement.
- (3) Where a reinstated member serves at least three years after his reinstatement before retirement, his total accrued benefit upon retirement shall be computed in accordance with the

provisions in effect on the date of his subsequent retirement."

Sec. 15. Section 20 of Chapter 926 of the 1947 Session Laws as rewritten by Chapter 506 of the 1987 Session Laws reads as rewritten:

"Sec. 20. *Disability Retirement not in the Line of Duty.* (a) A Member, with 10 or more years of Membership Service Credit, whom the Board of Trustees finds to be totally and permanently disabled or incapacitated for duty in the employ of the Charlotte Fire Department by reason of an injury, accident or disease that did not arise out of and in the course of his actual performance of duty in his employment with the Charlotte Fire Department, may be retired by the ~~board~~ Board of Trustees upon the filing of an 'Application for Disability Retirement Not in the Line of Duty' by the Member or his department head with the Administrator, provided that:

- (1) The Member has applied for and been granted accident and sickness benefits on account of such disability; and
- (2) After a medical examination of the Member, by or under the direction of the Medical ~~board~~ Board, the Medical Board certifies to the board in writing that the member is totally and permanently disabled or incapacitated for duty in the employ of the Charlotte Fire Department by reason of an injury, accident or disease that did not arise out of and in the course of his actual performance of duty in his employment with the Charlotte Fire Department.

(b) The Board of Trustees shall retire the Member within 90 days of its receipt of a medical report from the medical board that meets the requirements of subdivision (a)(2) of this section and when the medical board and the ~~board~~ Board agree on such application.

(c) Upon the request by the Chairman or the ~~board~~ Board, the examining member of the Medical ~~board~~ Board on an application for disability retirement not in the line of duty shall appear at a meeting of the ~~board~~ Board to respond to any questions of a medical nature or to render any medical opinion necessary to clarify the medical report.

(d) In the event that the Medical Board shall certify that the Member is totally and permanently disabled or incapacitated for duty in the employ of the Charlotte Fire Department by reason of an injury, accident or disease that did not arise out of and in the course of his actual performance of duty in his employment with the Charlotte Fire Department and the Board of Trustees does not agree with such certification, the Board of Trustees shall deny such application. The Member shall upon such denial be given the opportunity to respond to the ~~board's~~ Board's decision. The member shall have the right to appeal such denial to the Civil Service Board who shall render a

decision on whether the Member should or should not be retired.

(e) The determination by the ~~board~~ Board of trustees that a Member is not entitled to disability retirement benefits under this section and the Civil Service ~~board~~ Board has not determined that he should be retired, shall not prohibit such Member from filing another 'Application for Disability Retirement Not in the Line of ~~duty~~ Duty' at a later date, provided the application is based on additional or different facts bearing on the question of his disability.

(f) The Board of Trustees shall have the authority and may require any disability Retiree who has not attained age 70 years to undergo a medical reexamination at any time not to exceed one reexamination per year by or under the direction of the Medical board to determine if the medical condition for which the disability Retiree was retired still exists. Upon such medical reexamination, if the disability Retiree is found able to perform active duty with the Charlotte Fire Department by the Board of Trustees, he shall be reinstated in a position equal in rank to his rank at the time he was retired as soon as such position becomes available in the Charlotte Fire Department. Refusal by the disability Retiree to submit to such medical reexamination or refusal to return to work as a result of a finding by the Board of Trustees based on a medical reexamination shall cause all retirement benefits to cease forthwith and such person shall be entitled to apply for reimbursement of the balance, if any, of his contributions to the Retirement System in the same manner and in all respects as in Section 10 of this act.

(g) Effective July 1, 1986, upon retirement pursuant to the provisions of this section, a Member shall receive a monthly benefit equal to thirty-six percent (36%) of his Final Average Salary, plus one and eight-tenths percent (1.8%) of his final average salary multiplied by the Membership Service Credit in excess of 10 years, not to exceed one hundred percent (100%) of his Final Average Salary, but not less than five hundred dollars (\$500.00) per month. Effective July 1, 1988, prior to his retirement pursuant to the provisions of this section, but not thereafter, a Member may elect to receive an Actuarial Equivalent, computed as of the effective date of his retirement, of his monthly disability benefit from this subsection in a reduced monthly amount payable throughout his life, and nominate a Beneficiary in accordance with the provisions of Option 5, Fifty Percent (50%) Joint and Survivor Benefit, as set forth in subsection (g) of Section 17. Actuarial Equivalent for all Members retiring pursuant to this section shall be computed in accordance with the Unisex Mortality Table for 1984 set forward one year in age with interest at six percent (6%). Benefits payable under this section shall be effective on the date of approval by the Board of Trustees.

(h) Upon the reinstatement of a disability retiree to active duty following a medical reexamination pursuant to the provisions of this section any subsequent benefit paid by the System shall be based on the length of service after reinstatement with the Charlotte Fire Department.

(1) Where a reinstated member serves less than one year after his reinstatement before retirement, his accrued benefit upon retirement shall be as follows:

a. The total accrued benefit credited between his reinstatement and subsequent retirement as computed in accordance with the provisions in effect on the date of the member's subsequent retirement; plus

b. The total accrued benefit credited at the time of his effective date of disability retirement as computed in accordance with provisions in effect on the date of his disability retirement.

(2) Where a reinstated member serves more than one year, but less than three years, after his reinstatement before retirement, his accrued benefit upon retirement shall be as follows:

a. The total accrued benefit credited between his reinstatement and subsequent retirement as computed in accordance with the provisions in effect on the date of the member's subsequent retirement; plus

b. The total accrued benefit credited on the effective date of his disability retirement as computed by applying both the provisions in effect on the date of the member's subsequent retirement and the provisions in effect on the date of the member's disability retirement. The provisions in effect on the date of the member's subsequent retirement shall be applied to one-third of the accrued benefit credited on the effective date of the member's disability retirement for each year served following reinstatement. The remaining portion of the member's accrued benefit credited on the date of his disability retirement shall be computed in accordance with provisions in effect on the effective date of the member's disability retirement. For periods greater than one calendar year, but less than three calendar years the provisions in effect on the date of the member's subsequent retirement and the provisions in effect on the date of the member's disability retirement shall be applied proportionally to the remaining accrued benefit

credited on the effective date of the member's disability retirement.

- (3) Where a reinstated member serves at least three years after his reinstatement before retirement, his total accrued benefit upon retirement shall be computed in accordance with the provisions in effect on the date of his subsequent retirement."

Sec. 16. Section 21 of Chapter 926 of the 1947 Session Laws as rewritten by Chapter 506 of the 1987 Session Laws reads as rewritten:

"Sec. 21. *Death Benefits.* (a) In the event of the death of any Member of the System prior to his effective date of retirement pursuant to the provisions of Sections 15, 16, 18, 19, or 20 of this act, his Designated Beneficiary(s) on file with the Retirement System, or his personal representative in the absence of any Designated Beneficiary, shall be entitled to reimbursement of the ~~total~~ Total Contributions by him or on his behalf and the City of Charlotte to the System, plus, effective July 1, 1986, ; plus, two and five-tenths percent (2.5%) interest compounded annually on the contribution balance at the beginning of each Plan Year in which the Participant contributed or in which contributions were made on his behalf. However, the two and five-tenths percent (2.5%) interest shall not apply to death benefits occurring before July 1, 1986. Such Beneficiary(s) or personal representative must complete and file the form 'Application for Survivor Death Benefits' with the Administrator to receive reimbursement. As an option, a Beneficiary may elect to receive an annuity equal to and in lieu of a lump sum distribution by so designating on the above form.

(b) In the event of the death of a Retiree of this System before he has received monthly benefit payments equal to the present value on the effective date of retirement of the ~~total~~ Total Contributions by him or on his behalf and the City of Charlotte to the system, plus, effective July 1, 1986, ; plus, two and five-tenths percent (2.5%) interest compounded annually on the contribution balance at the beginning of each Plan Year in which the Participant contributed or in which contributions were made on his behalf and provided a monthly benefit is not payable in accordance with Section 17, the Designated Beneficiary(s) or estate of the retiree shall be entitled to an amount equal to the difference between such contributions, plus interest, and the sum of the monthly benefit payments received by the retiree. However, the two and five-tenths percent (2.5%) interest shall not apply to death benefits occurring before July 1, 1986. Such Beneficiary(s) or personal representative must complete and file the form 'Application for Survivor Death Benefits' with the Administrator to receive reimbursement."

Sec. 17. Subsection (e) of Section 32 of Chapter 926 of the 1947 Session Laws as rewritten by Chapter 506 of the 1987 Session Laws reads as rewritten:

"(e) If a vacancy shall occur pursuant to the provisions of subsections (a) through ~~(c)~~ (d) of this section, the vacancy shall be filled within 90 days after the date of the vacancy, for the unexpired portion of the term, in the same manner as the position was previously filled."

Sec. 18. Subsection (a) of Section 34 of Chapter 926 of the 1947 Session Laws as rewritten by Chapter 506 of the 1987 Session Laws reads as rewritten:

"(a) The Chairman of the Board, named pursuant to the provisions of Section ~~29(d)~~ 29(iv) of this act, shall preside at all meetings that he is in attendance."

Sec. 19. Subsection (b) of Section 35 of Chapter 926 of the 1947 Session Laws as rewritten by Chapter 506 of the 1987 Session Laws reads as rewritten:

"(b) The Chairman or, in the absence of the Chairman, the Vice Chairman may hold a special meeting and/or an emergency meeting at his discretion. Additionally, upon the written request of two members of the Board of Trustees, the Chairman shall call a special meeting of the Board.

When a special meeting is called, the Administrator shall insure that notice is given to each trustee either in person or by first class mail to the ~~record of address~~ address of record on file with the Administrator. Such notice shall include the purpose of the meeting and designate the time, date and place thereof. The Chairman or Vice Chairman shall insure that the business of the special meeting be limited to the purpose as set forth in the notice.

When an emergency meeting is called, the Administrator shall attempt to notify each Trustee by telephone to the telephone number on file with the Administrator."

Sec. 20. Section 44 of Chapter 926 of the 1947 Session Laws as rewritten by Chapter 506 of the 1987 Session Laws reads as rewritten:

"Sec. 44. *Annual Actuarial Valuation.* There shall be an annual Actuarial Valuation as of the 1st of July. The Valuation shall be performed by the actuary as specified in Section ~~36(a)~~ 36(a1). Such Valuation shall be completed and presented to the Board no later than the second regular quarterly meeting each year."

Sec. 21. Section 49 of Chapter 926 of the 1947 Session Laws as rewritten by Chapter 506 of the 1987 Session Laws reads as rewritten:

"Sec. 49. *Custody of System Assets.* The Treasurer of the Retirement System shall be the custodian and responsible for the safekeeping of all funds paid into the Charlotte Firefighters' Retirement System. The Treasurer shall deposit said funds in a bank or banks as designated by the Board of Trustees. The Treasurer may, with Board concurrence, use one or more nominees to facilitate transfer of the System's securities and may hold the securities in safekeeping with the Federal Reserve System, a clearing corporation, or a custodian bank which is a member of the Federal Reserve System. All payments from said funds shall be authorized by the treasurer only upon the signed, written request of the Administrator, or the Secretary of the Board in the absence of an administrator. The Treasurer shall furnish such bond as shall be required by the Board of Trustees and premium for said bond shall be paid out of the funds of the System."

Sec. 22. Section 57 of Chapter 926 of the 1947 Session Laws as rewritten by Chapter 506 reads as rewritten:

"Sec. 57. *Laws Inconsistent Repealed.* All laws and clauses of law pertaining to the Charlotte ~~Firemen's~~ Firefighters' Retirement System that are in conflict with the provisions of this act are hereby revoked."

Sec. 23. This act shall apply to the City of Charlotte only.

Sec. 24. None of the provisions of this act shall create an additional liability for the Charlotte Firefighters' Retirement System unless sufficient assets are available to pay for the liability.

Sec. 25. This act is effective upon ratification.

In the General Assembly read three times and ratified this the 30th day of June, 1988.

H.B. 406

CHAPTER 1034

AN ACT TO AMEND THE SEED LAW AND TO APPROPRIATE FUNDS TO IMPROVE THE SEED TESTING PROGRAM OF THE DEPARTMENT OF AGRICULTURE.

The General Assembly of North Carolina enacts:

Section 1. G.S. 106-277 is rewritten to read:

"§ 106-277. *Purpose.*--The purpose of this Article is to regulate the labeling, possessing for sale, sale and offering or exposing for sale or otherwise providing for planting purposes of agricultural seeds, vegetable seeds and screenings; to prevent misrepresentation thereof; and for other purposes."

Sec. 2. G.S. 106-277.2 is amended by adding a subdivision to read:

"(9a) The term 'distribute' means to provide seed for seeding purposes to more than five persons, but shall not include seed

provided for educational purposes."

Sec. 3. G.S. 106-277.2(13) is amended in the first sentence by adding "within prescribed limits" between "cross-fertilization" and "and".

Sec. 4. G.S. 106-277.2(13) is amended by adding the following sentence at the end:

"The Board of Agriculture shall prescribe minimum limits of pollination control (percent hybridity) for each hybridized species which will qualify to be labeled 'hybrid'."

Sec. 5. G.S. 106-277.4 is repealed.

Sec. 6. G.S. 106-277.5 is amended by deleting "agricultural seeds sold, offered or exposed for sale, or transported for sale within this State shall be labeled to show the following information:" and substituting "Agricultural seeds sold, offered or exposed for sale, transported for sale, or otherwise distributed within this State shall be labeled to show the following information:".

Sec. 7. G.S. 106-277.9(1) is amended by adding "distribute," between "sell," and "offer".

Sec. 8. G.S. 106-277.9(1)i. is amended by deleting "not produced in the arid regions of the Western United States,".

Sec. 9. G.S. 106-277.9(1)o. is amended in the second sentence by adding "or distribution" between "sale" and "of".

Sec. 10. G.S. 106-277.15 is amended by adding the following subdivisions:

"(10) Prescribing minimum hybrid percentage for labeling for each species hybridized.

(11) Prescribing labeling and coloring requirements for treated seed.

(12) Establishing a Tobacco Seed Committee which shall approve flue-cured tobacco varieties prior to registration with the Department."

Sec. 11. G.S. 106-277.17 is amended in the first sentence by adding ", blend," between "variety" and "or".

Sec. 12. G.S. 106-277.17 is amended in the second sentence by inserting ", blend," between "variety" and "or".

Sec. 13. G.S. 106-277.28(2) is rewritten to read:

"(2) Each seed dealer selling, distributing, offering, or exposing for sale in, or exporting from, this State any agricultural, vegetable, or lawn or turf seeds for seeding purposes shall register with the Commissioner and shall obtain an annual license, for each location where activities are conducted, by January 1 of each year and shall pay for such license as follows:

a. Wholesale or combined wholesale and retail

seed dealer\$100.00

- b. Retail seed dealer with sales of less than \$500.00.....5.00
- c. Retail seed dealer with sales of more than \$500.00 but less than \$1,000.....15.00
- d. Retail seed dealer with sales of more than \$1,000.....25.00."

Sec. 14. This act shall become effective July 1, 1988.

In the General Assembly read three times and ratified this the 30th day of June, 1988.

H.B. 1304

CHAPTER 1035

AN ACT TO PROVIDE FOR THE CLEANUP OF ENVIRONMENTAL DAMAGE CAUSED BY LEAKING PETROLEUM UNDERGROUND STORAGE TANKS.

The General Assembly of North Carolina enacts:

Section 1. Article 21A of Chapter 143 of the General Statutes is amended by adding a new Part to read:

"Part 2A

"Leaking Petroleum Underground Storage Tank Cleanup.

"§ 143-215.94A. Definitions.--Unless a different meaning is required by the context, the following definitions shall apply throughout this Part:

- (1) 'Commercial Fund' means the Commercial Leaking Petroleum Underground Storage Tank Cleanup Fund established pursuant to this Part.
- (2) 'Commercial underground storage tank' means any one or combination of tanks (including underground pipes connected thereto) used to contain an accumulation of petroleum products, the volume of which (including the volume of the underground pipes connected thereto) is ten percent (10%) or more beneath the surface of the ground. The term 'commercial underground storage tank' does not include any:
 - a. Farm or residential underground storage tank of 1,100 gallons or less capacity used for storing motor fuel for noncommercial purposes;
 - b. Underground storage tank of 1,100 gallons or less capacity used for storing heating oil for consumptive use on the premises where stored;
 - c. Underground storage tank of more than 1,100 gallon capacity used for storing heating oil for consumptive use on the premises where stored by four or fewer

- households;
- d. Septic tank;
 - e. Pipeline facility (including gathering lines) regulated under:
 - 1. The Natural Gas Pipeline Safety Act of 1968 (49 U.S.C. 1671 *et seq.*);
 - 2. The Hazardous Liquid Pipeline Safety Act of 1979 (49 U.S.C. 2001 *et seq.*); or
 - 3. Any intrastate pipeline facility regulated under State laws comparable to the provisions of the Natural Gas Pipeline Safety Act of 1968 or the Hazardous Liquid Pipeline Safety Act of 1979;
 - f. Surface impoundment, pit, pond, or lagoon;
 - g. Storm water or waste water collection system;
 - h. Flow-through process tank;
 - i. Liquid trap or associated gathering lines directly related to oil or gas production and gathering operations; or
 - j. Storage tank situated in an underground area (such as a basement, cellar, mineworking, drift, shaft, or tunnel) if the storage tank is situated upon or above the surface of the floor.
- (3) 'Noncommercial Fund' means the Noncommercial Leaking Petroleum Underground Storage Tank Cleanup Fund established pursuant to this Part.
- (4) 'Noncommercial underground storage tank' means any one or combination of tanks (including underground pipes connected thereto) used to contain an accumulation of petroleum products, the volume of which (including the volume of the underground pipes connected thereto) is ten percent (10%) or more beneath the surface of the ground. The term 'noncommercial storage tank' does not include any:
- a. Commercial underground storage tanks;
 - b. Septic tank;
 - c. Pipeline facility (including gathering lines) regulated under:
 - 1. The Natural Gas Pipeline Safety Act of 1968 (49 U.S.C. 1671 *et seq.*);
 - 2. The Hazardous Liquid Pipeline Safety Act of 1979 (49 U.S.C. 2001 *et seq.*); or
 - 3. Any intrastate pipeline facility regulated under State laws comparable to the provisions of the Natural Gas Pipeline Safety Act of 1968 or the Hazardous Liquid Pipeline Safety Act of 1979;

- d. Surface impoundment, pit, pond, or lagoon;
 - e. Storm water or waste water collection system;
 - f. Flow-through process tank;
 - g. Liquid trap or associated gathering lines directly related to oil or gas production and gathering operations; or
 - h. Storage tank situated in an underground area (such as a basement, cellar, mineworking, drift, shaft, or tunnel) if the storage tank is situated upon or above the surface of the floor.
- (5) 'Operator' means any person in control of, or having responsibility for, the operation of an underground storage tank.
- (6) 'Owner' means:
- a. In the case of an underground storage tank in use on 8 November 1984, or brought into use after that date, any person who owns an underground storage tank used for the storage, use, or dispensing of petroleum products; and
 - b. In the case of an underground storage tank in use before 8 November 1984, but no longer in use on or after that date, any person who owned such tank immediately before the discontinuation of its use.
- (7) 'Petroleum' or 'petroleum product' means crude oil or any fraction thereof which is a liquid at standard conditions of temperature and pressure (60 degrees Fahrenheit and 14.7 pounds per square inch absolute), including any such liquid which consists of a blend of petroleum and alcohol and which is intended for use as a motor fuel.

" § 143-215.94B. *Commercial leaking petroleum underground storage tank cleanup fund.*--(a) There is established under the control and direction of the Department the Commercial Leaking Petroleum Underground Storage Tank Cleanup Fund. This Commercial Fund shall be a nonreverting revolving fund consisting of any monies appropriated for such purpose by the General Assembly or available to it from grants, other monies paid to it or recovered on behalf of the Commercial Fund, and fees paid pursuant to this Part.

(b) The Commercial Fund shall be used for the payment of the following costs in excess of one hundred thousand dollars (\$100,000) up to an aggregate maximum of one million dollars (\$1,000,000) per occurrence resulting from a discharge or release of a petroleum product from a commercial underground storage tank:

- (1) The cleanup of environmental damage as required by G.S. 143-215.94E(a); and
- (2) The least expensive of the following:

- a. Providing potable water supplies including bottled water, well-head filtration systems or other suitable alternatives to persons whose water supply has been rendered unpotable; or
- b. Purchasing the property of the person whose water supply has been rendered unpotable. The State shall not purchase the property without the consent of the property owner, but if the property owner fails to consent, the amount expended to provide potable water shall not exceed the value of the property. If the property is purchased by the State, the purchase price shall be the value of the property immediately prior to the discovery of the discharge or release.

In no event shall a property owner be paid any sum as liquidated damages from the Commercial Fund.

(c) The Commercial Fund is to be available on an occurrence basis, without regard to number of occurrences associated with tanks owned or operated by the same owner or operator. Up to a maximum of one hundred thousand dollars (\$100,000) per year may be used from the Fund to pay for the administrative costs associated with carrying out the provisions of this Part by the Department.

(d) The Commercial Fund shall not be used for:

- (1) Costs incurred as a result of a discharge or release from an aboveground tank, aboveground pipe or fitting, or vehicle;
- (2) The replacement of any tank, pipe, fitting or related equipment;
- (3) Costs incurred as a result of a discharge or release of petroleum from a transmission pipeline;
- (4) Costs intended to be paid by the Noncommercial Fund; or
- (5) Costs associated with the administration of any underground storage tank program other than the program administered pursuant to this Part.

(e) The Commercial Fund shall be treated as a special trust fund and shall be credited with interest by the State Treasurer pursuant to G.S. 147-69.2 and G.S. 147-69.3.

" § 143-215.94C. *Commercial leaking petroleum underground storage tank cleanup fees.*--(a) The owner or operator of a commercial petroleum underground storage tank shall pay to the Secretary for deposit into the Commercial Fund an annual operating fee according to the following schedule:

- (1) For each petroleum commercial underground storage tank currently in operation of 3,500 gallons or less capacity -- thirty dollars (\$30.00).
- (2) For each petroleum commercial underground storage tank

currently in operation of more than 3,500 gallon capacity -- sixty dollars (\$60.00).

(b) The operating fee shall be due and payable on 1 January of each year for that calendar year.

(c) Beginning no later than sixty days before the first due date of the annual operating fee imposed by this section, any person who deposits a petroleum product in a commercial underground storage tank that would be subject to the annual operating fee shall, at least once in each calendar year during which such deposit of a petroleum product is made, notify the owner or operator of the duty to pay the annual operating fee. The requirement to notify pursuant to this subsection does not constitute a duty owed by the person depositing a petroleum product in a commercial underground storage tank to the owner or operator and the person depositing a petroleum product in an underground storage tank shall not incur any liability to the owner or operator for failure to give notice of the duty to pay the operating fee.

(d) If, on 1 July in any year after 1990 the Commercial Fund balance exceeds fifteen million dollars (\$15,000,000), the requirement to pay an annual operating fee pursuant to this section shall be suspended for any calendar year thereafter until the Commercial Fund balance is five million dollars (\$5,000,000) or less, at which time the requirement to pay the annual operating fee shall be reinstated beginning with the next calendar year. The duty to pay the annual operating fee shall not be suspended prior to 1 January 1991 regardless of the Commercial Fund balance.

" § 143-215.94D. *Noncommercial leaking petroleum underground storage tank cleanup fund.*--(a) There is established under the control and direction of the Department the Noncommercial Leaking Petroleum Underground Storage Tank Cleanup Fund. This Noncommercial Fund shall be a nonreverting revolving fund consisting of any monies appropriated for such purpose by the General Assembly or available to it from grants, or other monies paid to it or recovered on behalf of the Noncommercial Fund.

(b) The Noncommercial Fund shall be used for the payment of the following costs up to an aggregate maximum of one million dollars (\$1,000,000) per occurrence resulting from a discharge or release of a petroleum product from: (i) noncommercial underground storage tanks, (ii) commercial underground storage tanks where the owner or operator cannot be identified or fails to proceed with the cleanup, and (iii) commercial underground storage tanks which were taken out of operation prior to 1 January 1974 where, at the time the discharge or release is discovered, neither the owner or operator owns or leases the lands on which the tank is located:

(1) The cleanup of environmental damage as required by G.S.

143-215.94E(a); and

- (2) The least expensive of the following:
 - a. Providing potable water supplies including bottled water, well-head filtration systems or other suitable alternatives to persons whose water supply has been rendered unpotable; or
 - b. Purchasing the property of the person whose water supply has been rendered unpotable. The State shall not purchase the property without the consent of the property owner, but if the property owner fails to consent, the amount expended to provide potable water shall not exceed the value of the property. If the property is purchased by the State, the purchase price shall be the value of the property immediately prior to the discovery of the discharge or release.

In no event shall a property owner be paid any sum as liquidated damages from the Noncommercial Fund.

(c) The Noncommercial Fund is to be available on an occurrence basis, without regard to number of occurrences associated with tanks owned or operated by the same owner or operator. Up to a maximum of one hundred thousand dollars (\$100,000) per year may be used from the Fund to pay for the administrative costs associated with carrying out the provisions of this Part by the Department.

(d) The Noncommercial Fund shall not be used for:

- (1) Costs incurred as a result of a discharge or release from an aboveground tank, aboveground pipe or fitting, or vehicle;
- (2) The replacement of any tank, pipe, fitting or related equipment;
- (3) Costs incurred as a result of a discharge or release of petroleum from a transmission pipeline;
- (4) Costs intended to be paid for by the Commercial Fund; or
- (5) Costs associated with the administration of any underground storage tank program other than the program administered pursuant to this Part.

(e) The Noncommercial Fund shall be treated as a special trust fund and shall be credited with interest by the State Treasurer pursuant to G.S. 147-69.2 and G.S. 147-69.3.

" § 143-215.94E. *Rights and obligations of the owner and operator.*--

(a) Upon a determination that a discharge or release of petroleum from an underground storage tank has occurred, the owner or operator shall notify the Department pursuant to G.S. 143-215.85. The owner or operator shall immediately undertake to collect and remove the discharge or release and to restore the area affected in accordance with the requirements of this Article.

(b) In the case of a discharge or release from a commercial underground storage tank where the owner or operator has been identified and has proceeded with cleanup, the owner or operator may elect to have the Commercial Fund pay or reimburse the owner or operator for any costs described in G.S. 143-215.94B(b) which exceed one hundred thousand dollars (\$100,000) up to a maximum of nine hundred thousand dollars (\$900,000). The sum of payments by the owner or operator and the payments from the Commercial Fund shall not exceed one million dollars (\$1,000,000) per discharge or release.

(c) In the case of a discharge or release from a noncommercial underground storage tank, the owner or operator may elect to have the Noncommercial Fund pay or reimburse the owner or operator for the costs described in G.S. 143-215.94D(b) up to a maximum of one million dollars (\$1,000,000) per discharge or release.

(d) In any case where the costs described in G.S. 143-215.94B(b) or G.S. 143-215.94D(b) exceed one million dollars (\$1,000,000), the provisions of Article 21A of this Chapter or any other applicable statute or common law regarding liability shall apply for the amount in excess of one million dollars (\$1,000,000). Nothing contained in this Part shall limit or modify any liability that any party may have pursuant to Article 21A of this Chapter, any other applicable statute, or at common law.

(e) When the owner or operator pays the costs described in G.S. 143-215.94B(b) or G.S. 143-215.94D(b) resulting from a discharge or release of petroleum from an underground storage tank, the owner or operator may seek reimbursement from the appropriate fund for any costs he may elect to have either the Commercial or the Noncommercial Fund pay in accordance with subsections (b) and (c) of this section. The Department shall reimburse the owner or operator for all costs he may elect to have the appropriate fund pay for which prior approval was obtained and appropriate documentation was submitted, and any other costs which the Department determines to be reasonable and necessary and for which appropriate documentation is submitted. If the owner or operator is eligible for reimbursement under this section and the cleanup extends beyond a period of three months, the owner or operator may apply to the Department for interim reimbursements to which he is entitled under this section on a quarterly basis.

(f) The Department shall not reimburse any owner or operator until the fund from which reimbursement will be made reaches one million dollars (\$1,000,000).

(g) No owner or operator shall be reimbursed pursuant to this section, and the Department shall seek reimbursement of the appropriate fund or of the Department for any monies disbursed from

the appropriate fund or expended by the Department if:

- (1) The owner or operator has willfully violated any substantive law, rule, or regulation applicable to underground storage tanks and intended to prevent discharges or releases or to facilitate the early detection of discharges or releases;
- (2) The discharge or release is the result of the owner's or operator's willful or wanton misconduct; or
- (3) The owner or operator has failed to pay any annual tank operating fee due pursuant to G.S. 143-215.94C.

" § 143-215.94F. *Limited amnesty.*--Any owner or operator who reports a suspected discharge or release from an underground storage tank within 15 months of the effective date of this Part shall not be liable for any civil penalty that might otherwise be imposed pursuant to G.S. 143-215.91(a). The limited amnesty provided by this section shall not apply upon a finding by the Commission that the discharge or release was the result of gross negligence or an intentional act.

" § 143-215.94G. *Authority of the Department to engage in cleanups; actions for fund reimbursement.*--(a) Whenever a discharge or release of petroleum is from:

- (1) A noncommercial underground storage tank;
- (2) An underground storage tank where the owner or operator cannot be identified or located;
- (3) An underground storage tank where the owner or operator fails to proceed as required by G.S. 143-215.94E(a); or
- (4) A commercial underground storage tank which was taken out of operation prior to 1 January 1974 where, at the time the discharge or release is discovered, neither the owner or operator owns or leases the land on which the underground storage tank is located; the Department is authorized and empowered to use staff, equipment, or materials under its control or provided by other cooperating federal, State, or local agencies and to contract with any agent or contractor it deems appropriate to develop and implement a cleanup plan and to pay the costs authorized by G.S. 143-215.94D(b) from the Noncommercial Fund. Every State agency shall provide to the Department to the maximum extent feasible such staff, equipment, and materials as may be available and useful to the development and implementation of a cleanup program.

(b) Whenever the discharge or release of a petroleum product is from a commercial underground storage tank, the Department is authorized and empowered to supervise the cleanup of environmental damage required by G.S. 143-215.94E(a). If the owner or operator elects to have the Commercial Fund reimburse or pay for any costs

allowed under G.S. 143-215.94B(b) in excess of one hundred thousand dollars (\$100,000), the Department shall require the owner or operator to submit documentation of all expenditures which are claimed for the purposes of establishing that the owner or operator has spent an initial one hundred thousand dollars (\$100,000). The Department shall allow credit for all expenditures for which prior approval was obtained from the Department and any other expenditures which the Department determines to be reasonable and necessary. The Department may not pay for any costs for which the Commercial Fund was established until the owner or operator has paid an initial one hundred thousand dollars (\$100,000).

(c) The Secretary shall keep a record of all expenses incurred for the services of State personnel and for the use of the State's equipment and material.

(d) The Secretary shall seek reimbursement through any legal means available, for:

- (1) Any costs not authorized to be paid from either the Commercial or the Noncommercial Fund;
- (2) The initial one hundred thousand dollars (\$100,000) of the costs provided for in G.S. 143-215.94B(b) where the owner or operator of a commercial underground storage tank is later identified or located;
- (3) The initial one hundred thousand dollars (\$100,000) of the costs provided for in G.S. 143-215.94B(b) where the owner or operator of a commercial underground storage tank failed to proceed as required by G.S. 143-215.94E(a);
- (4) Any funds due under G.S. 143-215.94E(g); and
- (5) Any funds to which the State is entitled under any federal program providing for the cleanup of petroleum discharges or releases from underground storage tanks.

(e) In the event that a civil action is commenced to secure reimbursement pursuant to subdivisions (1) through (4) of subsection (d) of this section, the Secretary may recover, in addition to any amount due, the costs of the action, including but not limited to reasonable attorney's fees and investigation expenses. Any monies received or recovered as reimbursement shall be paid into the appropriate fund or other source from which the expenditures were made.

(f) In the event that one hundred thousand dollars (\$100,000) or more is recovered pursuant to subdivisions (2) and (3) of subsection (d) of this section for the costs described in G.S. 143-215.94B(b), the Department shall transfer funds from the Commercial Fund that would have been paid from the Commercial Fund pursuant to G.S. 143-215.94B(b) if the owner or operator had proceeded with the cleanup,

but which were paid from the Noncommercial Fund, into the Noncommercial Fund.

" § 143-215.94H. *Financial responsibility.*--The Department shall require each owner and operator of a petroleum underground storage tank who is required to demonstrate financial responsibility under rules promulgated by the United States Environmental Protection Agency pursuant to 42 U.S.C. § 6991b(d) to maintain evidence of financial responsibility of not less than one hundred thousand dollars (\$100,000) per occurrence for costs described in G.S. 143-215.94B(b) and G.S. 143-215.94D(b). Financial responsibility may be established in accordance with rules adopted by the Commission which shall provide that financial responsibility may be established by either insurance, guarantee, surety bond, letter of credit, qualification as a self-insurer, or any combination thereof. The compliance date schedule for demonstrating financial responsibility shall conform to the schedule adopted by the Environmental Protection Agency.

" § 143-215.94I. *Insurance pools authorized; requirements.*--(a) As used in this section, 'Commissioner' means the Commissioner of Insurance of the State of North Carolina.

(b) Owners and operators of underground storage tanks may demonstrate financial responsibility by establishing insurance pools which provide insurance coverage to pool members in at least the minimum amounts specified in G.S. 143-215.94H. Each such pool shall be operated by a board of trustees consisting of at least five persons who are elected or appointed officials of pool members. The board of trustees of each pool shall:

- (1) Establish terms and conditions of coverage within the pool, including underwriting criteria, applicable deductible levels, the maximum level of claims that the pool will self-insure, and exclusions of coverage;
- (2) Ensure that all valid claims are paid promptly;
- (3) Take all necessary precautions to safeguard the assets of the pool;
- (4) Maintain minutes of its meetings and make those minutes available to the Commissioner;
- (5) Designate an administrator to carry out the policies established by the board of trustees and to provide continual management of the pool, and delineate in written minutes of its meetings the areas of authority it delegates to the pool's administrator;
- (6) Establish the amount of insurance to be purchased by the pool to provide coverage over and above the claims that are not to be satisfied directly from the pool's resources;

- (7) Establish the amount, if any, of aggregate excess insurance coverage to be purchased and maintained in the event that the pool's resources are exhausted in a given fiscal period; and
 - (8) Establish guidelines for membership in the pool, including the amount of money to be collected from each pool member to form and fund the pool.
- (c) The board of trustees may not:
- (1) Extend credit to individual members for payment of a premium, except pursuant to payment plans approved by the Commissioner; or
 - (2) Borrow any monies from the pool or in the name of the pool, except in the ordinary course of business, without first advising the Commissioner of the nature and purpose of the loan and obtaining prior approval from the Commissioner.
- (d) A contract or agreement made pursuant to this section must contain provisions:
- (1) For a system or program of loss control;
 - (2) For termination of membership including both:
 - a. Cancellation of individual membership in the pool by the pool; and
 - b. Election by an individual member of the pool to terminate its participation;
 - (3) That a pool or a terminating member must provide at least 90 days' written notice of cancellation or termination;
 - (4) Requiring the pool to pay all claims for which each member incurs liability during each member's period of membership, except:
 - a. Where a member has individually retained the risk;
 - b. Where the risk is not covered; or
 - c. For amounts of claims above the coverage provided by the pool;
 - (5) For the maintenance of claim reserves equal to known incurred losses and loss adjustment expenses and to an estimate of incurred but not reported losses;
 - (6) For compliance with any applicable federal requirements regarding financial responsibility for underground storage tanks;
 - (7) For a final accounting and settlement of the obligations of or refunds to a terminating member to occur when all incurred claims are concluded, settled, or paid;
 - (8) That the pool may establish offices where necessary in this State and employ necessary staff to carry out the purposes of the pool;

- (9) That the pool may retain legal counsel, actuaries, claims adjusters, auditors, engineers, private consultants, and advisors, and other persons as the board of trustees or the administrator deems to be necessary;
- (10) That the pool may make and alter bylaws and rules pertaining to the exercise of its purpose and powers;
- (11) That the pool may purchase, lease, or rent real and personal property it deems to be necessary; and
- (12) That the pool may enter into financial services agreements with financial institutions and that it may issue checks in its own name.

(e) In the event that either the pool or an individual pool member gives notice of an intent to cancel or terminate participation in the pool as provided by subdivision (4) of subsection (d) of this section, the pool shall so notify both the Commissioner and the Secretary within five business days of the issuance or receipt of such notice by the pool. In addition, the pool shall notify both the Commissioner and the Secretary within five business days of the date such cancellation or termination becomes effective, unless notice of cancellation or termination is rescinded.

(f) The formation and operation of an insurance pool under this section shall be subject to approval by the Commissioner who shall, after notice and hearing, establish reasonable requirements and rules for the approval and monitoring of such pools, including prior approval of pool administrators and provisions for periodic examinations of financial condition. The Commissioner may disapprove an application for the formation of an insurance pool, and may suspend or withdraw such approval whenever he finds that such applicant or pool:

- (1) Has refused to submit its books, papers, accounts, or affairs to the reasonable inspection of the Commissioner or his representative;
- (2) Has refused, or its officers, agents, or administrators have refused, to furnish satisfactory evidence of its financial and business standing or solvency;
- (3) Is insolvent, or is in such condition that its further transaction of business in this State is hazardous to its members and creditors in this State and to the public;
- (4) Has refused or neglected to pay a valid final judgment against it within 60 days after its rendition;
- (5) Has violated any law of this State or has violated or exceeded the powers granted by its members;
- (6) Has failed to pay any taxes, fees, or charges imposed in this State within 60 days after they are due and payable, or

within 60 days after final disposition or any legal contest with respect to liability therefor; or

- (7) Has been found insolvent by a court of any other state, by the insurance regulator or other proper officer or agency of any other state, and has been prohibited from doing business in such state.

(g) Each pool shall be audited annually at the expense of the pool by a certified public accounting firm, with a copy of the report available to the governing body or chief executive officer of each member of the pool and to the Commissioner. The board of trustees of the pool shall obtain an appropriate actuarial evaluation of the loss and loss adjustment expense reserves of the pool, including an estimate of losses and loss adjustment expenses incurred but not reported. The provisions of G.S. 58-16, 58-17, 58-18, 58-21, 58-22, 58-25, 58-25.1, 58-27, and 58-63 apply to each pool and to persons that administer such pools. Annual financial statements required by G.S. 58-21 shall be filed by each pool within 60 days after the end of the pool's fiscal year. All financial statements required by this section shall be prepared in accordance with generally accepted statutory accounting principles.

(h) If, as a result of the annual audit or an examination by the Commissioner, it appears that the assets of a pool are insufficient to enable the pool to discharge its legal liabilities and other obligations, the Commissioner shall notify the administrator and the board of trustees of the pool of the deficiency and his list of recommendations to abate the deficiency, including a recommendation not to add any new members until the deficiency is abated. If the pool fails to comply with the recommendations within 30 days after the date of the notice, the Commissioner may apply to the Superior Court of Wake County for an order requiring the pool to abate the deficiency and authorizing the Commissioner to appoint one or more special deputy commissioners, counsel, clerks, or assistants to oversee the implementation of the Court's order. The Commissioner has all of the powers granted to him under Article 17A of General Statute Chapter 58 relating to rehabilitation and liquidation of insurers; and the provisions of that Article apply to this section to the extent they are not in conflict with this section. The compensation and expenses of such persons shall be fixed by the Commissioner, subject to the approval of the Court, and shall be paid out of the funds or assets of the pool.

(i) Each pool contract shall provide that the members of the pool shall be assessed on a pro rata basis as calculated by the amount of each member's average annual contribution in order to satisfy the amount of any deficiency where a pool is determined to be insolvent,

financially impaired, or is otherwise found to be unable to discharge its legal liabilities and other obligations.

(j) In the event that the Commissioner finds that a pool is insolvent, financially impaired, or otherwise, unable to discharge its legal liabilities or obligations, of it the Commissioner at any time has reason to believe that any owner or operator is unable to demonstrate financial responsibility as required by G.S. 143-215.94H and rules adopted by the Commission as a result of the financial condition of the pool or for any other reason, the Commissioner shall so notify the Secretary.

(k) The provisions of Article 17B of Chapter 58 do not apply to any risks retained by any pool.

"§ 143-215.94J. *Limitation of liability of the State of North Carolina.*--(a) No claim filed against either the Commercial Fund or the Noncommercial Fund shall be paid except from assets of the respective fund as provided for in this Part or as may otherwise be authorized by law.

(b) This Part shall not be construed to obligate the General Assembly to make any appropriation to implement the provisions of this Part; nor shall it be construed to obligate the Secretary to take any action pursuant to this Part for which funds are not available from appropriations or otherwise.

(c) The Secretary may budget anticipated receipts as needed to implement this Part.

(d) Should the Secretary find that the Noncommercial Fund balance is insufficient to satisfy all claims and other obligations of the Noncommercial Fund incurred pursuant to this Part, the Secretary may transfer funds which would otherwise revert to the General Fund to the Noncommercial Fund in order to meet such claims and obligations.

(e) If at any time either fund balance is insufficient to pay all valid claims against it, such claims shall be paid in full in the order in which they were finally determined.

"§ 143-215.94K. *Penalties.*--The penalties provided in G.S. 143-215.102 shall apply to this Part, provided that no penalty imposed under this Part shall exceed five thousand dollars (\$5,000).

"§ 143-215.94L. *Adoption of rules; administrative procedure; miscellaneous provisions.*--(a) The Commission may adopt rules necessary to implement the provisions of this Part. Except as may be otherwise specifically provided, the provisions of Chapter 150B apply to this Part.

(b) This Part shall be administered by the Department consistent with the provisions of Title VI, § 601 of the Hazardous and Solid Waste Amendments of 1984, Pub. L. No. 98-616, 42 U.S.C. 6991 *et*

seq., as amended.

(c) The provisions of this Part and of Part 2 of this Article are intended to be complementary. This Part shall not be construed to limit the liability under G.S. 143-215.84(a) of any person or to limit the authority of the Department to take any action pursuant to G.S. 143-215.84(b).

"§ 143-215.94M. *Annual reports.*--(a) The Secretary shall present an annual report to the General Assembly which shall include at least the following:

- (1) A list of all discharges or releases of petroleum from underground storage tanks;
- (2) A list of all cleanups requiring State funding through the Noncommercial Fund and a comprehensive budget to complete such cleanups;
- (3) A list of all cleanups undertaken by tank owners or operators and the status of these cleanups;
- (4) A statement of receipts and disbursements for both funds;
- (5) A statement of all claims against both funds including claims paid, claims denied, pending claims, and anticipated claims, and any other obligations; and
- (6) The adequacy of both funds to carry out the purposes of this Part.

(b) The annual reports required by this section shall be made by the Secretary beginning with the next legislative session following the effective date of this Part."

Sec. 2. G.S. 143-215.3(a) is amended by adding a new subdivision to read:

"(17) To adopt rules to implement Part 2A of Article 21A of Chapter 143."

Sec. 3. The provisions of this act are severable. In the event that any provision of this act is held invalid by a court of competent jurisdiction, the invalidity shall not affect other provisions of this act which can be given effect without the invalid provision.

Sec. 4. The provisions of this act as they relate to any discharge or release of petroleum from an underground storage tank apply only to discharges or releases which are discovered or reported on or after the effective date of this act.

Sec. 5. G.S. 143-215.94B through G.S. 143-215.94E, G.S. 143-215.94G, and G.S. 143-215.94J through G.S. 143-215.94M as enacted by Section 1 of this act and Section 2 of this act expire 31 December 1989. References to expired sections in unexpired sections shall be read to give effect to the unexpired sections. If either fund created by Section 1 of this act would be obligated under the provisions of this act with respect to any discharge or release reported

to the Department of Natural Resources and Community Development or any successor department prior to the expiration of this act, the respective fund may continue to pay any costs incurred in accordance with this act to the extent that funds remain. In the event that funds remain in either fund after the expiration of this act and after all claims and other obligations of both funds have been paid, such remaining funds shall revert to the General Fund.

Sec. 6. There is appropriated from the Highway Fund to the Department of Natural Resources and Community Development the sum of four million dollars (\$4,000,000) for fiscal year 1988-89 to be credited to the Noncommercial Leaking Petroleum Underground Storage Tank Cleanup Fund.

Sec. 7. This act is effective upon ratification.

In the General Assembly read three times and ratified this the 30th day of June, 1988.

H.B. 859

CHAPTER 1036

AN ACT TO EXTEND CERTAIN EXPIRING BUDGET PROVISIONS.

The General Assembly of North Carolina enacts:

Requested by: Representative McLaughlin

-----CHARLOTTE-MECKLENBURG CAREER DEVELOPMENT PROGRAM

Section 1. Section 6 of Chapter 394, Session Laws of 1983, as rewritten by Section 2 of Chapter 334, Session Laws of 1985, and as amended by Section 4 of Chapter 524, Section 2 of Chapter 703, and Section 204 of Chapter 738 of the 1987 Session Laws, is amended by deleting "July 1, 1988", each time it appears and substituting "July 1, 1989".

Requested by: Senator Marvin

-----EXTEND GASTON PILOT MEDIATION PROJECT

Sec. 2. (a) Section 16(b) of Chapter 830, Session Laws of 1987, reads as rewritten:

"(b) Effective from ratification of this act through June 30, ~~1988~~ 1989, subsection 162(b) of Chapter 761 of the 1983 Session Laws is rewritten to read:

'(b) This section applies to Mecklenburg and to Gaston Counties only, each of which may establish a pilot program.'"

(b) Section 16(c) of Chapter 830, Session Laws of 197, reads as rewritten:

"(c) Effective from ratification of this act through June 30, ~~1988~~

1989, subsection 162(d) of Chapter 761 of the 1983 Session Laws is rewritten to read:

'(d) This section shall be effective in Mecklenburg County only when both parents are residents of Mecklenburg County and in Gaston County only when both parents are residents of Gaston County.'

Requested by: Representative Watkins

-----HOSPITAL AND MEDICAL BENEFITS/TEACHERS AND STATE EMPLOYEES

Sec. 3. Should The University of North Carolina at Chapel Hill's unexpended General Fund appropriation for Health Affairs for fiscal year 1987-88 be more than five hundred twenty-five thousand dollars (\$525,000), the sum of five hundred twenty-five thousand dollars (\$525,000) shall not revert to the General Fund on June 30, 1988, but shall be used instead by the School of Medicine and North Carolina Memorial Hospital to cover the cost, on and after July 1, 1988, of heart transplants for employees, retired employees, and their dependents covered by the Teachers' and State Employees' Comprehensive Major Medical Plan pursuant to Section 25.1 of Chapter 857 of the 1987 Session Laws.

Requested by: Representative Watkins

-----HOSPITAL AND MEDICAL BENEFITS/TEACHERS AND STATE EMPLOYEES-2

Sec. 4. Should the Department of Insurance's unexpended General Fund appropriation for fiscal year 1987-88 be more than one hundred thousand dollars (\$100,000), the sum of one hundred thousand dollars (\$100,000) shall not revert to the General Fund on June 30, 1988, but shall be used instead by the Department of Insurance to cover the cost, on and after January 1, 1988, of approved medical facilities and physicians located within the State in the treatment of cancer with Interluken II for employees, retired employees, and their dependents covered by the Teachers' and State Employees' Comprehensive Major Medical Plan. Approval shall consist of approval by the Food and Drug Administration (FDA) and the National Cancer Institute (NCI). The Department of Insurance and the Board of Trustees of the Teachers' and State Employees' Comprehensive Major Medical Plan are directed to conduct a detailed study on the inclusion of Interluken II for coverage by the Plan in the treatment of cancer and report their findings to the Legislative Committee on Employee Hospital and Medical Benefits no later than May 15, 1989.

Requested by: Representative Lilley; Senator Rauch

-----HOLOCAUST FUNDS DO NOT REVERT

Sec. 5. The balance of appropriated funds remaining in the budget of the North Carolina Council on the Holocaust, by G.S. 143B-216.20, on June 30, 1987, shall not revert but shall remain available for expenditure by the Council during the 1988-89 fiscal year.

Requested by: Senator Basnight

-----ROANOKE ISLAND CENTER RESERVE FUNDS SHALL NOT REVERT

Sec. 6. Notwithstanding the provisions of G.S. 143-31.5, funds appropriated to the Reserve for the Roanoke Island Center for the Arts in Section 13 of Chapter 1116 of the 1983 Session Laws, as amended by Section 148 of Chapter 479 of the 1985 Session Laws, shall not revert and need not be repaid to the State, but shall remain available until used for the purpose for which they were appropriated.

Requested by: Senator Plyler

-----COMMISSION ON JOBS AND ECONOMIC GROWTH

Sec. 7. (a) G.S. 143-506.15 reads as rewritten:

" § 143-506.15. *North Carolina Commission on Jobs and Economic Growth.*--(a) There is created the North Carolina Commission on Jobs and Economic Growth. This Commission shall continue to be an advisory Commission and shall work with private and public institutions and with individuals to assess the implementation of the 1986 report of the Commission and continue to identify the major economic challenges facing this State with an emphasis on increasing the competitiveness of our urban areas and to develop practical proposals for meeting these challenges to be submitted to the executive and legislative branches of State government. The Commission shall make its final report to the ~~1987 Session of the General Assembly (Regular Session 1988)~~ 1989 Session of the General Assembly.

(b) The Commission shall consist of no more than 30 members to be appointed by, and to serve at the pleasure of, the President of the Senate, except that terms of members shall expire August 15, 1987, and new members shall be appointed thereafter to serve at the pleasure of the President of the Senate or until ~~June 30, 1989~~ December 31, 1988, whichever occurs first. If any vacancies shall occur, the President of the Senate shall appoint successors to serve at his pleasure or until ~~June 30, 1989~~ December 31, 1988, whichever comes first. If members of the General Assembly are appointed an equal number from each house shall be appointed.

(c) The Commission may contract for assistance from non-State personnel as it deems necessary.

(d) Members of the Commission who are also members of the General Assembly shall be paid subsistence and travel expenses at the rate set forth in G.S. 120-3.1. Members of the Commission who are officials or employees of the State shall receive travel allowances at the rate set forth in G.S. 138-6. All other members of the Commission shall be paid per diem and allowances at the rates set forth in G.S. 138-5.

(e) This section shall expire ~~June 30, 1989~~ December 31, 1988."

(b) Funds appropriated to the Office of the Lieutenant Governor for the fiscal year 1987-88 by Section 2 of Chapter 738 of the 1987 Session Laws, and allocated for use by the North Carolina Commission on Jobs and Economic Growth by Section 52(e) of Chapter 757 of the 1985 Session Laws, as amended by Section 149(c) of Chapter 738 of the 1987 Session Laws, shall not revert, but shall remain available for expenditure through December 31, 1988.

Requested by: Representative Barnes

-----GRIMES ALTERNATIVE PROGRAM/LOCATION MODIFIED

Sec. 8. Funds in the amount of forty-five thousand dollars (\$45,000) for the 1987-88 fiscal year and forty-five thousand dollars (\$45,000) for the 1988-89 fiscal year were appropriated in Chapter 830 of the 1987 Session Laws for support for the Youth and Family Counseling Service, which is affiliated with the Laymen's Christian Council, Inc., to continue the Grimes Alternative Program in the Lexington City Schools. These funds may be used by the Youth and Family Counseling Service for such programs in any public schools in Davidson County.

These funds shall not revert but shall remain available until spent for such programs.

Requested by: Senator Harrington

-----PRINCIPLES OF TECHNOLOGY FUNDS/DO NOT REVERT

Sec. 9. (a) Funds in the amount of one hundred seventy thousand dollars (\$170,000) for the 1987-88 fiscal year, which were appropriated in Chapter 830 of the 1987 Session Laws to provide support for a Principles of Technology demonstration program in the Northampton County, Halifax County, and Weldon City School administrative units, shall not revert at the end of the 1987-88 fiscal year but shall remain available for expenditure until June 30, 1989.

Requested by: Representative Hall, Senator Soles

-----CORPORATE LAW STUDY COMMISSION

Sec. 10. (a) The Commission to Revise the Business Corporation Act, created by Part XIII A of Chapter 873 of the 1987

Session Laws, is hereby recreated and reenacted with the same membership as originally appointed.

(b) Section 13A.6 of Chapter 873 of the 1987 Session Laws reads as rewritten:

"Sec. 13A.6. The Commission shall review the Business Corporation Act and recommend such rewrite or recodification as is necessary to modernize that act, and shall report its findings to the General Assembly on or before June 1, 1988, and report to the 1989 General Assembly upon its convening. The Commission shall terminate upon the filing of the report adjournment sine die of the 1989 General Assembly."

(c) Section 13A.7 of Chapter 873 of the 1987 Session Laws reads as rewritten:

"Sec. 13A.7. There is appropriated from the General Fund to the Legislative Services Commission for fiscal year 1987-88 the sum of fifteen thousand dollars (\$15,000) for the use of the Commission to Revise the Business Corporation Act, and these funds shall not revert until the termination of the Commission as provided in Section 13A.6 of this act."

Requested by: Representative Bob Etheridge

-----HARNETT PRISON CHAPEL FUNDS/DO NOT REVERT

Sec. 11. Section 217(a) of Chapter 1014, 1985 Session Laws, as amended by Section 11 of Chapter 795, 1987 Session Laws, reads as rewritten:

"(a) Funds in the amount of fifty thousand dollars (\$50,000) were appropriated to the Department of Correction in Section 3 of Chapter 971 of the 1983 Session Laws for the construction of a chapel at Harnett Correctional Center. These funds may not revert but shall remain available for expenditure for this purpose until June 30, 1988, the project is completed."

Requested by: Representative Woodard

-----JOHNSTON COUNTY PRISON CHAPEL

Sec. 11.1. Funds in the amount of fifty thousand dollars (\$50,000) were appropriated to the Department of Correction in Section 4 of Chapter 1014 of the 1985 Session Laws for the construction of a chapel at the Johnston County Prison Unit. These funds shall not revert but shall remain available until the project is completed. This grant may be matched on an in-kind basis, with labor matching State funds.

Requested by: Representative Watkins

-----NONREVERSION OF GRAPE GROWERS COUNCIL FUNDS

Sec. 12. (a) G.S. 105-113.81A is amended by rewriting the last sentence to read:

"The Department of Agriculture shall allocate the funds received under this section to the North Carolina Grape Growers Council to be used to promote the North Carolina grape and wine industry and to contract for research and development services to improve viticultural and enological practices in North Carolina. Any funds credited to the Department of Agriculture under this section that are not expended by June 30 of any fiscal year may not revert to the General Fund, but shall remain available to the Department for the uses set forth in this section."

(b) This section shall remain in effect until July 1, 1991.

Requested by: Senator Walker

-----TRANSFER OF TEACCH CARRY-OVER FUNDS

Sec. 13. The sum of one hundred sixty-seven thousand five hundred sixty dollars (\$167,560) of unexpended funds appropriated to the Department of Human Resources, Division of Mental Health, Mental Retardation, and Substance Abuse Services, in fiscal year 1985-86 in Section 2 of Chapter 479 of the 1985 Session Laws for the Comprehensive Living and Learning Center for Autistic Adults and carried forward through fiscal year 1987-88 is transferred from the Division to The University of North Carolina at Chapel Hill, Division of Health Affairs, for capital improvements for the Center.

Requested by: Senator Royall

-----AUTISTIC CENTER CAPITAL FUNDS

Sec. 14. Of the three hundred sixty-four thousand nine hundred dollars (\$364,900) in General Fund appropriations transferred from the Department of Human Resources to The University of North Carolina at Chapel Hill, Health Affairs, for autistic programs for the 1987-88 fiscal year, one hundred sixteen thousand dollars (\$116,000) shall be used for capital improvement costs associated with the development of the Living and Learning Center for Autistic Adults.

Requested by: Representative Watkins

-----CHAPTER 886

Sec. 15. Notwithstanding Chapter 886 of the 1987 Session Laws or any other provision of law, the Director of the Budget shall allocate funds for the 1988-89 fiscal year for:

- (1) Expenditure for current operations by State departments, institutions and agencies,
- (2) For operating expenses for State aid for non-State entities, except for those funds for State aid for non-State entities that were

appropriated to the Office of State Budget and Management or to the Department of Justice for State aid, and

(3) Expenditures from the Highway Fund, at a level not to exceed the level at which those operations were funded for the 1987-88 fiscal year as of June 30, 1988. To the extent necessary to implement this authorization, funds currently available in the appropriate State funds and in cash balances, federal receipts, and departmental receipts shall be considered appropriated at the levels authorized for the 1987-88 fiscal year by the General Assembly. This section shall remain in effect until repealed by the General Assembly.

Requested by: Representatives Nye, Redwine

-----MOSQUITO AND VECTOR CONTROL PROGRAM

Sec. 16. No funds appropriated for the 1987-89 fiscal biennium and included in Section 3 to the Department of Human Resources, Division of Health Services' Mosquito and Other Vector Control Program shall be transferred from any part of this Program for any purpose unless authorized by the General Assembly. Any funds for this Program that have already been transferred shall be transferred back to the Program if not already expended, and any transfer that has been approved but has not yet become effective is rescinded.

Requested by: Representative Holroyd

-----MODEL EDUCATION TRANSITION PROGRAM FUNDS

Sec. 17. Any unexpended funds from those allocated in Section 33 of Chapter 830 of the 1987 Session Laws to the Department of Human Resources for the Wake Collaborative Educational Transition Pilot Program, shall be carried forward to fiscal year 1988-89 and be expended for the purpose prescribed by that section.

Requested by: Representative Nye

-----SOUTHEASTERN REGIONAL AREA MENTAL HEALTH, MENTAL RETARDATION, AND SUBSTANCE ABUSE PROGRAM'S ADULT DEVELOPMENTAL ACTIVITIES PROGRAM FUNDS

Sec. 18. Any unexpended funds from those allocated in Section 67(a)(5) of Chapter 830 of the 1987 Session Laws to the Southeastern Regional Area Mental Health, Mental Retardation, and Substance Abuse Program shall be carried forward to fiscal year 1988-89 and be expended for an Adult Developmental Activities Program/Community Living Skills Program operated in Bladen County by the Southeastern Regional Program.

Requested by: Representative Watkins

-----EXTENSION OF EXPIRING RULES

Sec. 18.1. G.S. 150B-59(c) is amended by deleting "shall remain in effect until June 30, 1988. These rules are repealed effective July 1, 1988", and substituting "shall remain in effect until July 5, 1988. These rules are repealed effective July 6, 1988".

Requested by: Senator Swain

----BLACK MOUNTAIN REPAIR FUNDS

Sec. 19. The fourteen thousand two hundred dollars (\$14,200) remaining of the funds redirected by Section 28 of Chapter 795 of the 1987 Session Laws for the reconditioning of the Black Mountain Center, shall be used for repairing and reconditioning Buildings 23 and 24 on the campus.

Sec. 20. This act shall become effective June 30, 1988.

In the General Assembly read three times and ratified this the 30th day of June, 1988.

H.B. 2216

CHAPTER 1037

AN ACT TO MAKE CONFORMING CHANGES TO LAWS RELATING TO COURTS, SO AS TO CONFORM TO CHAPTER 509 OF THE 1987 SESSION LAWS, AS RECOMMENDED BY THE LEGISLATIVE RESEARCH COMMISSION.

The General Assembly of North Carolina enacts:

Section 1. G.S. 7A-41 reads as rewritten:

" § 7A-41. *Superior court divisions and districts; judges.*--(a) The counties of the State are organized into judicial divisions and **judicial superior court districts**, and each superior court district has the counties, and the number of regular resident superior court judges set forth in the following table, and for districts of less than a whole county, as set out in subsection (b) of this section:

Judicial Division	Judicial Superior Court District	Counties	No. of Resident Judges
First	1	Camden, Chowan, Currituck, Dare, Gates, Pasquotank, Perquimans	2

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	2	Beaufort, Hyde, Martin, Tyrrell, Washington	1
	3A	Pitt	1
	3B	Carteret, Craven, Pamlico	1
	4A	Duplin, Jones, Sampson	1
	4B	Onslow	1
	5	New Hanover, Pender	2
	6A	Halifax	1
	6B	Bertie, Hertford, Northampton	1
	7A	Nash	1
	7B	(part of Wilson, part of Edgecombe, see subsection (b))	1
	7C	(part of Wilson, part of Edgecombe, see subsection (b))	1
	8A	Lenoir and Greene	1
	8B	Wayne	1
Second	9	Franklin, Granville, Person, Vance, Warren	2
	10A	(part of Wake see subsection (b))	1
	10B	(part of Wake see subsection (b))	2
	10C	(part of Wake see subsection (b))	1
	10D	(part of Wake see subsection (b))	1
	11	Harnett, Johnston, Lee	1
	12A	(part of Cumberland see subsection (b))	1
	12B	(part of Cumberland see subsection (b))	1
	12C	(part of Cumberland see subsection (b))	2
	13	Bladen, Brunswick, Columbus	1

	14A	(part of Durham see subsection (b))	1
	14B	(part of Durham see subsection (b))	3
	15A	Alamance	1
	15B	Orange, Chatham	1
	16A	Scotland, Hoke	1
	16B	Robeson	1
Third	17A	Caswell, Rockingham	1
	17B	Stokes, Surry	1
	18A	(part of Guilford see subsection (b))	1
	18B	(part of Guilford see subsection (b))	1
	18C	(part of Guilford see subsection (b))	1
	18D	(part of Guilford see subsection (b))	1
	18E	(part of Guilford see subsection (b))	1
	19A	Cabarrus	1
	19B	Montgomery, Randolph	1
	19C	Rowan	1
	20A	Anson, Moore, Richmond	1
	20B	Stanly, Union	1
	21A	(part of Forsyth see subsection (b))	1
	21B	(part of Forsyth see subsection (b))	1
	21C	(part of Forsyth see subsection (b))	1
	21D	(part of Forsyth see subsection (b))	1
	22	Alexander, Davidson, Davie, Iredell	2
	23	Alleghany, Ashe, Wilkes, Yadkin	1
Fourth	24	Avery, Madison, Mitchell, Watauga, Yancey	1
	25A	Burke, Caldwell	1

25B	Catawba	1
26A	(part of Mecklenburg see subsection (b))	2
26B	(part of Mecklenburg see subsection (b))	2
26C	(part of Mecklenburg see subsection (b))	2
27A	Gaston	2
27B	Cleveland, Lincoln	1
28	Buncombe	2
29	Henderson, McDowell, Polk, Rutherford, Transylvania	1
30A	Cherokee, Clay, Graham, Macon, Swain	1
30B	Haywood, Jackson	1

(b) For ~~judicial~~ superior court districts of less than a whole county, or with part of one county with part of another, the composition of the district and the number of judges is as follows:

- (1) ~~Judicial~~ Superior Court District 7B consists of County Commissioner Districts 1, 2 and 3 of Wilson County, Blocks 127 and 128 of Census Tract 6 of Wilson County, and Townships 12 and 14 of Edgecombe County. It has one judge.
- (2) ~~Judicial~~ Superior Court District 7C consists of the remainder of Edgecombe and Wilson Counties not in District 7B. It has one judge.
- (3) ~~Judicial~~ Superior Court District 10A consists of Raleigh Precincts 12, 13, 14, 18, 19, 20, 22, 25, 26, 28, 34, 35, and 40, and St. Matthews #3, except that if the Wake County Board of Elections provides that the area in Raleigh Township which was incorrectly placed in a St. Mary's precinct shall be in Raleigh Precinct 40, that area shall be considered to be in Raleigh Precinct 40 for district purposes. It has one judge.
- (4) ~~Judicial~~ Superior Court District 10B consists of Buckhorn Precinct, Cary Precincts 1, 2, 3, 4, 5, 6, and 7, Cedar Fork Precinct, Holly Springs Precinct, House Creek Precinct #1, Meredith Precinct, Middle Creek Township, Raleigh Precincts 1, 2, 3, 4, 5, 6, 7, 8, 9, 10, 11, 16, 21, 23, 24, 27, 29, 31, 32, 33, 36, and 41, Swift Creek Precinct #1 and #2 and White Oak Township. It has two judges.

- (5) ~~Judicial~~ Superior Court District 10C consists of Barton's Creek Precinct, Leesville Precinct, House Creek Precinct #2, Little River Township, Marks Creek Township, New Light Township, Panther Branch Township, St. Mary's Precincts #1, #2, #3, #4, #5, and #6, and Wake Forest Township. It has one judge.
- (6) ~~Judicial~~ Superior Court District 10D consists of the remainder of Wake County not in ~~Judicial~~ Superior Court Districts 10A, 10B or 10C. It has one judge.
- (7) ~~Judicial~~ Superior Court District 12A consists of that part of Cross Creek Precinct #18 north of Raeford Road, Montclair Precinct, that part of Precinct 71-1 not in District 12B, Precinct 71-2, Morganton #2 Precinct, Cottonade Precinct, Cumberland Precincts 1 and 2, and Brentwood Precinct. It has one judge.
- (8) ~~Judicial~~ Superior Court District 12B consists of all of State House of Representatives District 17, except for Westarea Precinct, and it also includes that part of Cross Creek Precinct #15 east of Village Drive. It has one judge.
- (9) ~~Judicial~~ Superior Court District 12C consists of the remainder of Cumberland County not in ~~Judicial~~ Superior Court Districts 12A or 12B. It has two judges.
- (10) ~~Judicial~~ Superior Court District 14A consists of Durham Precincts 9, 11, 12, 13, 14, 15, 18, 34, 40, 41, and 42, and that part of Durham Precinct 39 east of North Carolina Highway #751. It has one judge.
- (11) ~~Judicial~~ Superior Court District 14B consists of the remainder of Durham County not in ~~Judicial~~ Superior Court District 14A. It has three judges.
- (12) ~~Judicial~~ Superior Court District 18A consists of Greensboro Precincts 5, 6, 7, 8, 9, 19, 25, 29, 30, 44, and 45 and Clay and Fentress Precincts. It has one judge.
- (13) ~~Judicial~~ Superior Court District 18B consists of High Point Precincts 1, 2, 3, 4, 5, 6, 7, 8, 9, 10, 11, 12, 13, 14, 15, 16, 17, 18, 20, and 21, Deep River Precinct, and Jamestown Precincts 1 and 3. It has one judge.
- (14) ~~Judicial~~ Superior Court District 18C consists of Greensboro Precincts 20, 27, 31, 32, 34, 37, 38, 39, and 43, High Point Precinct 19, Stokesdale, Oak Ridge, Bruce, Friendship I, Friendship II, Jamestown II, South Center Grove, North Center Grove, and North Monroe Precincts. It has one judge.
- (15) ~~Judicial~~ Superior Court District 18D consists of Greensboro Precincts 4, 11, 13, 14, 15, 16, 17, 18, 21, 22, 23, 24,

- 26, 36, and 42, and North and South Sumner Precincts. It has one judge.
- (16) ~~Judicial~~ Superior Court District 18E consists of the remainder of Guilford County not in ~~Judicial~~ Superior Court Districts 18A, 18B, 18C, or 18D. It has one judge.
- (17) ~~Judicial~~ Superior Court District 21A consists of the Southwest Ward of Winston-Salem, and Precincts 80-6, 80-7, 80-8, 3-1, 9-1, 13-1, 13-2, 13-3, 7-1, 7-2, 7-3, 5-1, 5-2, 5-3, 12-2, and 12-3. It has one judge.
- (18) ~~Judicial~~ Superior Court District 21B consists of the Northwest Ward, the South Ward, and the Southeast Ward of Winston-Salem, and Precincts 4-1 and 4-2. It has one judge.
- (19) ~~Judicial~~ Superior Court District 21C consists of Precincts 80-1, 80-2, 80-3, 80-4, 80-5, 80-9, 10-2, 10-3, 3-2, 3-3, 11-1, 11-2, 2-1, 6-1, 6-2, 6-3, 6-4, 1-1, 1-2, and 1-3. It has one judge.
- (20) ~~Judicial~~ Superior Court District 21D consists of the North Ward, the Northeast Ward, and the East Ward of Winston-Salem, and Precincts 8-2 and 8-3. It has one judge.
- (21) ~~Judicial~~ Superior Court District 26A consists of Charlotte Precincts 11, 12, 13, 14, 15, 16, 22, 23, 24, 25, 26, 27, 31, 33, 39, 41, 42, 46, 52, 54, 55, 56, 58, 60, 77, 78, and 82, and Long Creek Precinct #2 of Mecklenburg County. It has two judges.
- (22) ~~Judicial~~ Superior Court District 26B consists of Charlotte Precincts 1, 2, 3, 4, 5, 6, 7, 8, 9, 10, 17, 18, 20, 21, 28, 29, 30, 32, 34, 35, 36, 37, 38, 43, 44, 45, 47, 51, 61, 62, 63, 65, 66, 67, 68, 69, 71, 74, 83, 84, and 86, Crab Orchard Precincts 1 and 2, and Mallard Creek Precinct 1. It has two judges.
- (23) ~~Judicial~~ Superior Court District 26C consists of the remainder of Mecklenburg County not in ~~Judicial~~ Superior Court Districts 26A or 26B. It has two judges.
- (c) In subsection (b) above:
- (1) The names and boundaries of townships are as they were legally defined and in effect as of January 1, 1980, and recognized in the 1980 U.S. Census;
 - (2) For Guilford County, precinct boundaries are as shown on maps in use by the Guilford County Board of Elections on April 15, 1987;
 - (3) For Mecklenburg, Wake, and Durham Counties, precinct boundaries are as shown on the current maps in use by the appropriate county board of elections as of January 31,

- 1984, in accordance with G.S. 163-128(b); and
- (4) For Wilson County, commissioner districts are those in use for election of members of the county board of commissioners as of January 1, 1987, ;
 - (5) For Cumberland County, House District 17 is in accordance with the boundaries in effect on January 1, 1987. Precincts are in accordance with those as approved by the United States Department of Justice on February 28, 1986, ; and
 - (6) For Forsyth County, the boundaries of Wards and precincts are those in effect on 'WARD MAP 1985', published November 1985 by the City of Winston-Salem and Forsyth County.

If any changes in precinct boundaries, wards, commissioner districts, or House of Representative districts have been made since the dates specified, or are made, those changes shall not change the boundaries of the judicial superior court districts.

(d) The several judges, their terms of office, and their assignments to districts are as follows:

- (1) In the first judicial superior court district, J. Herbert Small and Thomas S. Watts serve terms expiring December 31, 1994.
- (2) In the second judicial superior court district, William C. Griffin serves a term expiring December 31, 1994.
- (3) In the third-A judicial superior court district, David E. Reid serves a term expiring on December 31, 1992.
- (4) In the third-B judicial superior court district, Herbert O. Phillips, III, serves a term expiring on December 31, 1994.
- (5) In the fourth-A judicial superior court district, Henry L. Stevens, III, serves a term expiring December 31, 1994.
- (6) In the fourth-B judicial superior court district, James R. Strickland serves a term expiring December 31, 1992.
- (7) In the fifth judicial superior court district, no election shall be held in 1992 for the full term of the seat now occupied by Bradford Tillery, and the holder of that seat shall serve until a successor is elected in 1994 and qualifies. The succeeding term begins January 1, 1995. In the fifth judicial superior court district, Napoleon B. Barefoot serves a term expiring December 31, 1994.
- (8) In the sixth-A judicial superior court district, Richard B. Allsbrook serves a term expiring December 31, 1990.
- (9) In the sixth-B judicial superior court district, a judge shall be elected in 1988 to serve an eight-year term beginning January 1, 1989.
- (10) In the seventh-A judicial superior court district, Charles B.

Winberry, serves a term expiring December 31, 1994.

- (11) In the seventh-B judicial superior court district, a judge shall be elected in 1988 to serve an eight-year term beginning January 1, 1989.
- (12) In the seventh-C judicial superior court district, Franklin R. Brown serves a term expiring December 31, 1990.
- (13) In the eighth-A judicial superior court district, James D. Llewellyn serves a term expiring December 31, 1994.
- (14) In the eighth-B judicial superior court district, Paul M. Wright serves a term expiring December 31, 1992.
- (15) In the ninth judicial superior court district, Robert H. Hobgood and Henry W. Hight, Jr., serve terms expiring December 31, 1994.
- (16) In the tenth-A judicial superior court district, a judge shall be elected in 1988 to serve an eight-year term beginning January 1, 1989.
- (17) In the tenth-B judicial superior court district, Robert L. Farmer serves a term expiring December 31, 1992. In the tenth-B judicial superior court district, no election shall be held in 1990 for the full term of the seat now occupied by Henry V. Barnette, Jr., and the holder of that seat shall serve until a successor is elected in 1992 and qualifies. The succeeding term begins January 1, 1993.
- (18) In the tenth-C judicial superior court district, Edwin S. Preston, serves a term expiring December 31, 1990. In the tenth-D judicial superior court district, Donald Stephens serves a term expiring December 31, 1988.
- (19) In the eleventh judicial superior court district, Wiley F. Bowen serves a term expiring December 31, 1990.
- (20) In the twelfth-A judicial superior court district, D.B. Herring, Jr., serves a term expiring December 31, 1990.
- (21) In the twelfth-B judicial superior court district, a judge shall be elected in 1988 to serve an eight-year term beginning January 1, 1989.
- (22) In the twelfth-C judicial superior court district, no election shall be held in 1992 for the full term of the seat now occupied by Coy E. Brewer, Jr., and the holder of that seat shall serve until a successor is elected in 1994 and qualifies. The succeeding term begins January 1, 1995. In the twelfth-C judicial superior court district, E. Lynn Johnson serves a term expiring December 31, 1994.
- (23) In the thirteenth judicial superior court district, Giles R. Clark serves a term expiring December 31, 1994.
- (24) In the fourteenth-A judicial superior court district, a judge

- shall be elected in 1988 to serve an eight-year term beginning January 1, 1989.
- (25) In the ~~fourteenth-B judicial~~ superior court district, no election shall be held in 1992 for the full term of the seat now occupied by Anthony M. Brannon, and the holder of that seat shall serve until a successor is elected in 1994 and qualifies. The succeeding term begins July 1, 1995.
 - (26) In the ~~fourteenth-B judicial~~ superior court district, no election shall be held in 1990 for the full term of the seat now occupied by Thomas H. Lee, and the holder of that seat shall serve until a successor is elected in 1994 and qualifies. The succeeding term begins January 1, 1995. In the ~~fourteenth-B judicial~~ superior court district, J. Milton Read, Jr., serves a term expiring December 31, 1994.
 - (27) In the ~~fifteenth-A judicial~~ superior court district, J.B. Allen, Jr., serves a term expiring December 31, 1994.
 - (28) In the ~~fifteenth-B judicial~~ superior court district, F. Gordon Battle serves a term expiring December 31, 1994.
 - (29) In the ~~sixteenth-A judicial~~ superior court district, B. Craig Ellis serves a term expiring December 31, 1994.
 - (30) In the ~~sixteenth-B judicial~~ superior court district, a judge shall be elected in 1988 to serve an eight-year term beginning January 1, 1989.
 - (31) In the ~~seventeenth-A judicial~~ superior court district, Melzer A. Morgan, Jr., serves a term expiring December 31, 1990.
 - (32) In the ~~seventeenth-B judicial~~ superior court district, James M. Long serves a term expiring December 31, 1994.
 - (33) In the ~~eighteenth-A judicial~~ superior court district, a judge shall be elected in 1988 to serve an eight-year term beginning January 1, 1989.
 - (34) In the ~~eighteenth-B judicial~~ superior court district, Edward K. Washington's term expired December 31, 1986, but he is holding over because of a court order enjoining an election from being held in 1986. A successor shall be elected in 1988 to serve an eight-year term beginning January 1, 1989.
 - (35) In the ~~eighteenth-C judicial~~ superior court district, W. Douglas Albright serves a term expiring December 31, 1990.
 - (36) In the ~~eighteenth-D judicial~~ superior court district, Thomas W. Ross's term expired December 31, 1986, but he is holding over because of a court order enjoining an election from being held in 1986. A successor shall be elected in 1988 to serve an eight-year term beginning January 1, 1989.

- (37) In the eighteenth-E judicial superior court district, Joseph John's term expired December 31, 1986, but he is holding over because of a court order enjoining an election from being held in 1986. A successor shall be elected in 1988 to serve an eight-year term beginning January 1, 1989.
- (38) In the nineteenth-A judicial superior court district, James C. Davis serves a term expiring December 31, 1992.
- (39) In the nineteenth-B judicial superior court district, Russell G. Walker, Jr., serves a term expiring December 31, 1990.
- (40) In the nineteenth-C judicial superior court district, Thomas W. Seay, Jr., serves a term expiring December 31, 1990.
- (41) In the twentieth-A judicial superior court district, F. Fetzer Mills serves a term expiring December 31, 1992.
- (42) In the twentieth-B judicial superior court district, William H. Helms serves a term expiring December 31, 1990.
- (43) In the twenty-first-A judicial superior court district, William Z. Wood serves a term expiring December 31, 1990.
- (44) In the twenty-first-B judicial superior court district, Judson D. DeRamus, Jr., serves a term expiring December 31, 1988.
- (45) In the twenty-first-C judicial superior court district, William H. Freeman serves a term expiring December 31, 1990.
- (46) In the twenty-first-D judicial superior court district, a judge shall be elected in 1988 to serve an eight-year term beginning January 1, 1989.
- (47) In the twenty-second judicial superior court district, no election shall be held in 1992 for the full term of the seat now occupied by Preston Cornelius, and the holder of that seat shall serve until a successor is elected in 1994 and qualifies. The succeeding term shall begin January 1, 1995. In the twenty-second judicial superior court district, Robert A. Collier serves a term expiring December 31, 1994.
- (48) In the twenty-third judicial superior court district, Julius A. Rousseau, Jr., serves a term expiring December 31, 1990.
- (49) In the twenty-fourth judicial superior court district, Charles C. Lamm, Jr., serves a term expiring December 31, 1994.
- (50) In the twenty-fifth-A judicial superior court district, Claude S. Sitton serves a term expiring December 31, 1994.
- (51) In the twenty-fifth-B judicial superior court district, Forrest A. Ferrell serves a term expiring December 31, 1990.
- (52) In the twenty-sixth-A judicial superior court district, no election shall be held in 1994 for the full term of the seat now occupied by W. Terry Sherrill, and the holder of that seat shall serve until a successor is elected in 1996 and

qualifies. The succeeding term shall begin January 1, 1997. In the twenty-sixth-A judicial superior court district, a judge shall be elected in 1988 to serve an eight-year term beginning January 1, 1989.

- (53) In the twenty-sixth-B judicial superior court district, Frank W. Snapp, Jr., and Kenneth A. Griffin serve terms expiring December 31, 1990.
- (54) In the twenty-sixth-C judicial superior court district, no election shall be held in 1992 for the full term of the seat now occupied by Chase Boone Saunders, and the holder of that seat shall serve until a successor is elected in 1994 and qualifies. The succeeding term shall begin January 1, 1995. In the twenty-sixth-C judicial superior court district, Robert M. Burroughs serves a term expiring December 31, 1994.
- (55) In the twenty-seventh-A judicial superior court district, no election shall be held in 1988 for the full term of the seat now occupied by Robert E. Gaines, and the holder of that seat shall serve until a successor is elected in 1990 and qualifies. The succeeding term begins January 1, 1991. In the twenty-seventh-A judicial superior court district, Robert W. Kirby serves a term expiring December 31, 1990.
- (56) In the twenty-seventh-B judicial superior court district, John M. Gardner serves a term expiring December 31, 1994.
- (57) In the twenty-eighth judicial superior court district, Robert D. Lewis and C. Walter Allen serve terms expiring December 31, 1990.
- (58) In the twenty-ninth judicial superior court district, Hollis M. Owens, Jr., serves a term expiring December 31, 1990.
- (59) In the thirtieth-A judicial superior court district, James U. Downs serves a term expiring December 31, 1990.
- (60) In the thirtieth-B judicial superior court district, Janet M. Hyatt serves a term expiring December 31, 1994.

~~(e) In a district having more than one regular resident judge where the district consists of all of a county or all of several counties, the judge who has the most continuous service on the superior court is the senior regular resident superior court judge. If two judges are of equal seniority, the oldest judge is the senior regular resident judge. In a single-judge district, where the district consists of all of a county or all of several counties, the single judge is the senior regular resident judge.~~

~~In any county where there is more than one judicial district, but the districts include only territory from that county, then from all of the districts in that county, the judge who has the most continuous service on the superior court is the senior regular resident superior court~~

~~judge for all of those districts and for the county. If two judges are of equal seniority, the oldest judge is the senior regular resident judge for all of those districts and for the county.~~

~~In any county where there is more than one judicial district, and the districts include part from that county, and part from another county, then from all of the districts in both those counties, the judge who has the most continuous service on the superior court is the senior regular resident superior court judge for all of those districts and for both counties. If two judges are of equal seniority, the oldest judge is the senior regular resident judge for all of those districts and for both counties.~~

~~Senior regular resident judges and regular resident judges possess equal judicial jurisdiction, power, authority and status, but all duties placed by the Constitution or statutes on the resident judge of a judicial district, including the appointment to and removal from office, which are not related to a case, controversy or judicial proceeding and which do not involve the exercise of judicial power, shall be discharged by the senior regular resident judge. A senior regular resident superior court judge in a multi-judge district, by notice in writing to the Administrative Officer of the Courts, may decline to exercise the authority vested in him by this section, in which event such authority shall be exercised by the regular resident judge next senior in point of service or age, respectively.~~

~~In the event the senior regular resident judge of a multi-judge district is unable, due to mental or physical incapacity, to exercise the authority vested in him by the statute, and the Chief Justice, in his discretion, has determined that such incapacity exists, the Chief Justice shall appoint an acting senior regular resident judge from the other regular resident judges of the district, to exercise, temporarily, the authority of the senior regular resident judge; provided that in any county where there is more than one judicial district, the appointment may be made of any of the other regular resident judges of any district in that county. Such appointee shall serve at the pleasure of the Chief Justice and until his temporary appointment is vacated by appropriate order."~~

Sec. 2. Chapter 7A of the General Statutes is amended by adding a new section to read:

" § 7A-41.1. District and set of districts defined; senior resident superior court judges and their authority.--(a) In this section and in any other law which refers to this section:

- (1) 'District' means any superior court district established by G.S. 7A-41 which consists exclusively of one or more entire counties;
- (2) 'Set of districts' means any set of two or more superior

court districts established under G.S. 7A-41, none of which consists exclusively of one or more entire counties, but both or all of which include territory from the same county or counties and together comprise all of the territory of that county or those counties;

- (3) 'Regular resident superior court judge of the district or set of districts' means a regular superior court judge who is a resident judge of any of the superior court districts established under G.S. 7A-41 which comprise or are included in a district or set of districts as defined herein.

(b) There shall be one and only one senior resident superior court judge for each district or set of districts as defined in subsection (a) of this section, who shall be:

- (1) Where there is only one regular resident superior court judge for the district, that judge; and
- (2) Where there are two or more regular resident superior court judges for the district or set of districts, the judge who, from among all the regular resident superior court judges of the district or set of districts, has the most continuous service as a regular resident superior court judge; provided if two or more judges are of equal seniority, the oldest of those judges shall be the senior regular resident superior court judge.

(c) Senior resident superior court judges and regular resident superior court judges possess equal judicial jurisdiction, power, authority and status, but all duties placed by the Constitution or statutes on the resident judge of a superior court district, including the appointment to and removal from office, which are not related to a case, controversy or judicial proceeding and which do not involve the exercise of judicial power, shall be discharged, throughout a district as defined in subsection (a) of this section or throughout all of the districts comprising a set of districts so defined, for each county in that district or set of districts, by the senior resident superior court judge for that district or set of districts. That senior resident superior court judge alone among the superior court judges of that district or set of districts shall receive the salary and benefits of a senior resident superior court judge.

(d) A senior resident superior court judge for a district or set of districts as defined in subsection (a) of this section with two or more regular resident superior court judges, by notice in writing to the Administrative Officer of the Courts, may decline to exercise the authority vested in him by this section, in which event such authority shall be exercised by the regular resident superior court judge who, among the other regular resident superior court judges of the district or set of districts, is next senior in point of service or age,

respectively.

(e) In the event a senior resident superior court judge for a district or set of districts with one or more regular resident superior court judges is unable, due to mental or physical incapacity, to exercise the authority vested in him by the statute, and the Chief Justice, in his discretion, has determined that such incapacity exists, the Chief Justice shall appoint an acting senior regular resident superior court judge from the other regular resident judges of the district or set of districts, to exercise, temporarily, the authority of the senior regular resident judge. Such appointee shall serve at the pleasure of the Chief Justice and until his temporary appointment is vacated by appropriate order."

Sec. 2.1. G.S. 7A-42 is amended by adding at the end thereof a new section to read as follows:

"(i) Notwithstanding the provisions of this section, when exigent circumstances exist, sessions of superior court may be conducted at a location outside a county seat by order of the Senior Resident Superior Court Judge of a county, with the prior approval of the location and the facilities by the Administrative Office of the Courts and after consultation with the Clerk of Superior Court and county officials of the county. An order entered under this subsection shall be filed in the office of the Clerk of Superior Court in the county and posted at the courthouse within the county seat and notice shall be posted in other conspicuous locations. The order shall be limited to such session or sessions as are approved by the Chief Justice of the Supreme Court of North Carolina."

Sec. 3. G.S. 7A-44.1 reads as rewritten:

"§ 7A-44.1. Secretarial and clerical help.--~~The senior regular superior court judge of each judicial district is authorized to~~ Each senior resident superior court judge may appoint a judicial secretary to serve at his pleasure and under his direction the secretarial and clerical needs of the superior court judges of the district or set of districts as defined by G.S. 7A-41.1(a) for which he is the senior resident superior court judge under the direction of the senior regular resident superior court judge. The appointment may be full- or part-time and the compensation and allowances of such secretary shall be fixed by the senior regular resident superior court judge, within limits determined by the Administrative Office of the Courts, and paid by the State."

Sec. 4. Effective until its repeal under Section 7 of Chapter 509, Session Laws of 1987, G.S. 7A-45 reads as rewritten:

"§ 7A-45. Special judges; appointment; removal; vacancies; authority.--(a) The Governor may appoint eight special superior court judges except as provided by this subsection. A special judge takes the same oath of office and is subject to the same requirements and

disabilities as is or may be prescribed by law for regular judges of the superior court, save the requirement of residence in a particular district. Initial appointments made under this section shall be to terms of office beginning July 1, 1967, and expiring June 30, 1971. As the terms expire, the Governor may appoint successors for terms of four years each, except that terms beginning July 1, 1987, shall expire December 31, 1988; provided that if any judge serving as a special superior court judge on December 31, 1988, is to become first eligible for service retirement under G.S. 135-57 between December 31, 1988, and July 1, 1989, the term of that judge shall expire on that eligibility date, and except that if any special superior court judge who is holding office on June 30, 1987, has five years of membership service under G.S. 135-53(12) on that date, or will have three years of such service on or before December 1, 1987 if continued in office, the term of office of that judge is extended through December 31, 1988. All incumbents shall continue in office until their successors are appointed and qualify.

(b) A special judge is subject to removal from office for the same causes and in the same manner as a regular judge of the superior court, and a vacancy occurring in the office of special judge is filled by the Governor by appointment for the unexpired term.

(c) A special judge, in any court in which he is duly appointed to hold, has the same power and authority in all matters whatsoever that a regular judge holding the same court would have. A special judge, duly assigned to hold the court of a particular county, has during the session of court in that county, in open court and in chambers, the same power and authority of a regular judge in all matters whatsoever arising in ~~that judicial district~~ the district or set of districts as defined in G.S. 7A-41.1(a) in which that county is located, that could properly be heard or determined by a regular judge holding the same session of court.

(d) A special judge is authorized to settle cases on appeal and to make all proper orders in regard thereto after the time for which he was commissioned has expired."

Sec. 5. G.S. 7A-45.1 reads as rewritten:

"§ 7A-45.1. *Special judges.*--(a) The Governor may appoint two special superior court judges. A special judge takes the same oath of office and is subject to the same requirements and disabilities as are or may be prescribed by law for regular judges of the superior court, save the requirement of residence in a particular district. Appointments made under this section shall be to terms of office beginning August 1, 1987, and expiring December 31, 1990.

(b) A special judge is subject to removal from office for the same causes and in the same manner as a regular judge of the superior

court, and a vacancy occurring in the office of special judge is filled by the Governor by appointment for the unexpired term.

(c) A special judge, in any court in which he is duly appointed to hold, has the same power and authority in all matters that a regular judge holding the same court would have. A special judge, duly assigned to hold the court of a particular county, has during the session of court in that county, in open court and in chambers, the same power and authority of a regular judge in all matters arising in ~~that judicial district~~ the district or set of districts as defined in G.S. 7A-41.1(a) in which that county is located, that could properly be heard or determined by a regular judge holding the same session of court.

(d) A special judge is authorized to settle cases on appeal and to make all proper orders in regard thereto after the time for which he was commissioned has expired."

Sec. 6. G.S. 7A-47 reads as rewritten:

"§ 7A-47. *Powers of regular judges holding courts by assignment or exchange.*--A regular superior court judge, duly assigned to hold the courts of a county, or holding such courts by exchange, shall have the same powers in the district or set of districts as defined in G.S. 7A-41.1(a) in which that county is located, in open court and in chambers as the resident judge or any judge regularly assigned to hold the courts of the district or set of districts as defined in G.S. 7A-41.1(a) has, and his jurisdiction in chambers shall extend until the session is adjourned or the session expires by operation of law, whichever is later."

Sec. 7. G.S. 7A-47.1 reads as rewritten:

"§ 7A-47.1. *Jurisdiction in vacation or in session.*--In any case in which the superior court in vacation has jurisdiction, and all the parties unite in the proceedings, they may apply for relief to the superior court in vacation, or during a session of court, at their election. ~~The resident judge of the judicial district~~ Any regular resident superior court judge of the district or set of districts as defined in G.S. 7A-41.1(a) and any special superior court judge residing in the district or set of districts and the judge regularly presiding over the courts of the district or set of districts have concurrent jurisdiction throughout the district or set of districts in all matters and proceedings in which the superior court has jurisdiction out of session; provided, that in all matters and proceedings not requiring a jury or in which a jury is waived, the resident judge of the district any regular resident superior court judge of the district or set of districts and any special superior court judge residing in the district or set of districts shall have concurrent jurisdiction throughout the district or set of districts with the judge holding the courts of the

district or set of districts and the resident judge and any any such regular or special superior court judge, residing in the district in the exercise of such concurrent jurisdiction, may hear and pass upon such matters and proceedings in vacation, out of session or during a session of court."

Sec. 8. G.S. 7A-47.2 is repealed.

Sec. 9. G.S. 7A-47.3 reads as rewritten:

" § 7A-47.3. ~~Assignment of judges in certain districts. Rotation and assignment; sessions.~~—When a county is divided into more than one district, and judges are assigned to hold court, assignments shall be made for the county as a whole, for the superior court of that county

(a) To effect the intent of Article IV, Section 11 of the North Carolina Constitution, each regular resident superior court judge may, upon each rotation, be assigned to hold the courts either of one of the districts or of one of the sets of districts, as defined in G.S. 7A-41.1(a), in that judge's judicial division.

(b) All sessions of superior court shall be for an entire county, whether that county comprises or is located in a district or in a set of districts as defined in G.S. 7A-41.1(a), and at each session all matters and proceedings arising anywhere in the county shall be heard."

Sec. 10. G.S. 7A-48 reads as rewritten:

" § 7A-48. Jurisdiction of emergency judges.—Emergency superior court judges have the same power and authority in all matters whatsoever, in the courts which they are assigned to hold, that regular judges holding the same courts would have. An emergency judge duly assigned to hold the courts of a county or ~~judicial~~ district or set of districts as defined in G.S. 7A-41.1(a) has the same powers in the ~~district that county and district or set of districts~~ in open court and in chambers as the resident judge a resident judge of the district or set of districts or any judge regularly assigned to hold the courts of the district or set of districts would have, but his jurisdiction in chambers extends only until the session is adjourned or the session expires by operation of law, whichever is later."

Sec. 11. G.S. 7A-49.1 reads as rewritten:

" § 7A-49.1. Disposition of motions when judge disqualified.—Whenever a judge before whom a motion is made, either in open court or in chambers, disqualifies himself from determining it, he may in his discretion refer the motion for disposition to ~~the resident judge~~ a regular resident superior court judge of, or any judge regularly holding the courts of, the district or set of districts as defined in G.S. 7A-41.1(a) in which the county in which the cause arose is located, or of any adjoining district or set of districts, who shall have full power and authority to hear and determine the motion in the same manner as if he were the presiding judge of the district in which the cause arose a session of superior court for that county."

Sec. 12. G.S. 7A-61 reads as rewritten:

" § 7A-61. *Duties of district attorney.*--The district attorney shall prepare the trial dockets, prosecute in the name of the State all criminal actions and infractions requiring prosecution in the superior and district courts of his prosecutorial district, advise the officers of justice in his district, and perform such duties related to appeals to the Appellate Division from his district as the Attorney General may require. Effective January 1, 1971, the district attorney shall also represent the State in juvenile cases in which the juvenile is represented by an attorney. Each district attorney shall devote his full time to the duties of his office and shall not engage in the private practice of law."

Sec. 13. G.S. 7A-66 reads as rewritten:

" § 7A-66. *Removal of district attorneys.*--The following are grounds for suspension of a district attorney or for his removal from office:

- (1) Mental or physical incapacity interfering with the performance of his duties which is, or is likely to become, permanent;
- (2) Willful misconduct in office;
- (3) Willful and persistent failure to perform his duties;
- (4) Habitual intemperance;
- (5) Conviction of a crime involving moral turpitude;
- (6) Conduct prejudicial to the administration of justice which brings the office into disrepute; or
- (7) Knowingly authorizing or permitting an assistant district attorney to commit any act constituting grounds for removal, as defined in subdivisions (1) through (6) hereof.

A proceeding to suspend or remove a district attorney is commenced by filing with the clerk of superior court of the county where the district attorney resides a sworn affidavit charging the district attorney with one or more grounds for removal. The clerk shall immediately bring the matter to the attention of the senior regular resident superior court judge for the district or set of districts as defined in G.S. 7A-41.1(a) in which the county is located who shall within 30 days either review and act on the charges or refer them for review and action within 30 days to another superior court judge residing in or regularly holding the courts of ~~the~~ that district or set of districts. If the superior court judge upon review finds that the charges if true constitute grounds for suspension, and finds probable cause for believing that the charges are true, he may enter an order suspending the district attorney from performing the duties of his office until a final determination of the charges on the merits. During the suspension the salary of the district attorney continues. If the superior court judge finds that the charges if true do not constitute grounds for suspension or finds that no probable cause exists for believing that the charges are

true, he shall dismiss the proceeding.

If a hearing, with or without suspension, is ordered, the district attorney should receive immediate written notice of the proceedings and a true copy of the charges, and the matter shall be set for hearing not less than 10 days nor more than 30 days thereafter. The matter shall be set for hearing before the judge who originally examined the charges or before another regular superior court judge resident in or regularly holding the courts of ~~the~~ that district or set of districts. The hearing shall be open to the public. All testimony shall be recorded. At the hearing the superior court judge shall hear evidence and make findings of fact and conclusions of law and if he finds that grounds for removal exist, he shall enter an order permanently removing the district attorney from office, and terminating his salary. If he finds that no grounds exist, he shall terminate the suspension, if any.

The district attorney may appeal from an order of removal to the Court of Appeals on the basis of error of law by the superior court judge. Pending decision of the case on appeal, the district attorney shall not perform any of the duties of his office. If, upon final determination, he is ordered reinstated either by the appellate division or by the superior court upon remand his salary shall be restored from the date of the original order of removal."

Sec. 14. G.S. 7A-95 reads as rewritten:

" § 7A-95. *Reporting of trials.*--(a) Court reporting personnel shall be utilized if available, for the reporting of trials in the superior court. If court reporters are not available in any county, electronic or other mechanical devices shall be provided by the Administrative Office of the Courts upon the request of the senior regular resident superior court judge.

(b) The Administrative Office of the Courts shall from time to time investigate the state of the art and techniques of recording testimony, and shall provide such electronic or mechanical devices as are found to be most efficient for this purpose.

(c) If an electronic or other mechanical device is utilized, it shall be the duty of the clerk of the superior court or some person designated by the clerk to operate the device while a trial is in progress, and the clerk shall thereafter preserve the record thus produced, which may be transcribed, as required, by any person designated by the Administrative Office of the Courts. If stenotype, shorthand, or stenomask equipment is used, the original tapes, notes, discs or other records are the property of the State, and the clerk shall keep them in his custody.

(d) Reporting of any trial may be waived by consent of the parties.

(e) Appointment of a reporter or reporters for superior court proceedings in each district or set of districts as defined in G.S. 7A-41.1(a) shall be made by the senior regular resident superior court judge of that district or set of districts. The compensation and allowances of reporters in each such district or set of districts shall be fixed by the senior regular resident superior court judge, within limits determined by the Administrative Officer of the Courts, and paid by the State."

Sec. 15. G.S. 7A-104 reads as rewritten:

" § 7A-104. *Disqualification; waiver; removal; when judge acts.*--(a) The clerk shall not exercise any judicial powers in relation to any estate, proceeding, or civil action:

- (1) If he has, or claims to have, an interest by distribution, by will, or as creditor or otherwise;
- (2) If he is so related to any person having or claiming such an interest that he would, by reason of such relationship, be disqualified as a juror, but the disqualification on this ground ceases unless the objection is made at the first hearing of the matter before him;
- (3) If clerk or the clerk's spouse is a party or a subscribing witness to any deed of conveyance, testamentary paper or nuncupative will, but this disqualification ceases when such deed, testamentary paper, or will has been finally admitted to probate by another clerk, or before the judge of the superior court;
- (4) If clerk or the clerk's spouse is named as executor or trustee in any testamentary or other paper, but this disqualification ceases when the will or other paper is finally admitted to probate by another clerk, or before the judge of the superior court. The clerk may renounce the executorship and endorse the renunciation on the will or on some paper attached thereto, before it is propounded for probate, in which case the renunciation must be recorded with the will if it is admitted to probate.

The parties may waive the disqualification specified in subdivisions (1), (2), and (3) of this subsection, and upon the filing of such written waiver, the clerk shall act as in other cases.

(b) When any of the disqualifications specified in this section exist, and there is no waiver thereof, or when there is no renunciation under subdivision (a)(4), of this section, any party in interest may apply to ~~the resident or presiding superior court judge~~ a superior court judge who has jurisdiction pursuant to G.S. 7A-47.1 or G.S. 7A-48 in that county, for an order to remove the proceedings to the clerk of superior court of an adjoining county in the ~~same district or set of districts~~; or he may apply to the judge to make either in vacation or during a session of court all necessary orders and judgments in any

proceeding in which the clerk is disqualified, and the judge in such cases is hereby authorized to make any and all necessary orders and judgments as if he had the same original jurisdiction as the clerk over such proceedings.

(c) In any case in which the clerk of the superior court is executor, administrator, collector, or guardian of an estate at the time of his election or appointment to office, in order to enable him to settle such estate, ~~the resident or presiding judge of the superior court is empowered to~~ a superior court judge who has jurisdiction pursuant to G.S. 7A-47.1 or G.S. 7A-48 in that county may make such orders as may be necessary in the settlement of the estate; and he may audit the accounts or appoint a commissioner to audit the accounts of such executor or administrator, and report to him for his approval, and when the accounts are so approved, the judge shall order the proper records to be made by the clerk."

Sec. 16. G.S. 7A-142 reads as rewritten:

"§ 7A-142. *Vacancies in office.*--A vacancy in the office of district judge shall be filled for the unexpired term by appointment of the Governor from nominations submitted by the ~~bar of the judicial district~~ relevant district bar as defined by G.S. 84-19. If the district court judge was elected as the nominee of a political party, then the district bar shall submit to the Governor the names of three persons who are residents of the district court district who are duly authorized to practice law in the district and who are members of the same political party as the vacating judge; provided that if there are not three persons who are available, the bar shall submit the names of two persons who meet the qualifications of this sentence. Within 60 days after the district bar submits nominations for a vacancy, the Governor shall appoint to fill the vacancy. If the district bar fails to submit nominations within 30 days from the date the vacancy occurs, the Governor may appoint to fill the vacancy without waiting for nominations."

Sec. 17. G.S. 7A-171 reads as rewritten:

"§ 7A-171. *Numbers; appointment and terms; vacancies.*--(a) The General Assembly shall establish a minimum and a maximum quota of magistrates for each county. In no county shall the minimum quota be less than one.

(b) Not earlier than the Tuesday after the first Monday nor later than the third Monday in December of each even-numbered year, the clerk of the superior court shall submit to the senior regular resident superior court judge of ~~his district~~ the district or set of districts as defined in G.S. 7A-41.1(a) in which his county is located the names of two (or more, if requested by the judge) nominees for each magisterial

office in the minimum quota established for the county. Not later than the fourth Monday in December, the senior regular resident superior court judge shall, from the nominations submitted by the clerk of the superior court, appoint magistrates to fill the minimum quota established for each county of his district or set of districts. The term of a magistrate so appointed shall be two years, commencing on the first day in January of the calendar year next ensuing the calendar year of appointment.

(c) After the biennial appointment of the minimum quota of magistrates, additional magistrates in a number not to exceed, in total, the maximum quota established for each county may be appointed in the following manner. The chief district judge for the district court district in which the county is located, with the approval of the Administrative Officer of the Courts, may certify to the clerk of superior court that the minimum quota is insufficient for the efficient administration of justice and that a specified additional number, not to exceed the maximum quota established for the county, is required. Within 15 days after the receipt of this certification the clerk of superior court shall submit to the senior regular resident superior court judge of his district the district or set of districts as defined in G.S. 7A-41.1(a) in which his county is located the names of two (or more, if requested by the judge) nominees for each additional magisterial office. Within 15 days after receipt of the nominations the senior regular resident superior court judge shall from the nominations submitted appoint magistrates in the number specified in the certification. A magistrate so appointed shall serve a term commencing immediately and expiring on the same day as the terms of office of magistrates appointed to fill the minimum quota for the county.

(d) Within 30 days after a vacancy in the office of magistrate occurs the clerk of superior court shall submit to the senior regular resident superior court judge the names of two (or more, if so requested by the judge) nominees for the office vacated. Within 15 days after receipt of the nominations the senior regular resident superior court judge shall appoint from the nominations received a magistrate who shall take office immediately and shall serve for the remainder of the unexpired term."

Sec. 18. G.S. 7A-173 reads as rewritten:

"§ 7A-173. *Suspension; removal; reinstatement.*--(a) A magistrate may be suspended from performing the duties of his office by the chief district judge of the district court district in which his county is located, or ~~removal~~ removed from office by the senior regular resident superior court judge of, or any regular superior court judge holding court in, the district or set of districts as defined in G.S. 7A-41.1(a)

in which the county is located. Grounds for suspension or removal are the same as for a judge of the General Court of Justice.

(b) Suspension from performing the duties of the office may be ordered upon filing of sworn written charges in the office of clerk of superior court for the county in which the magistrate resides. If the chief district judge, upon examination of the sworn charges, finds that the charges, if true, constitute grounds for removal, he may enter an order suspending the magistrate from performing the duties of his office until a final determination of the charges on the merits. During suspension the salary of the magistrate continues.

(c) If a hearing, with or without suspension, is ordered, the magistrate against whom the charges have been made shall be given immediate written notice of the proceedings and a true copy of the charges, and the matter shall be set by the chief district judge for hearing before the senior regular resident superior court judge or a regular superior court judge holding court in the district or set of districts as defined in G.S. 7A-41.1(a) in which the county is located. The hearing shall be held in a county within the district or set of districts not less than 10 days nor more than 30 days after the magistrate has received a copy of the charges. The hearing shall be open to the public. All testimony offered shall be recorded. At the hearing the superior court judge shall receive evidence, and make findings of fact and conclusions of law. If he finds that grounds for removal exist, he shall enter an order permanently removing the magistrate from office, and terminating his salary. If he finds that no such grounds exist, he shall terminate the suspension, if any.

(d) A magistrate may appeal from an order of removal to the Court of Appeals on the basis of error of law by the superior court judge. Pending decision of the case on appeal, the magistrate shall not perform any of the duties of his office. If, upon final determination, he is ordered reinstated, either by the appellate division or by the superior court on remand, his salary shall be restored from the date of the original order of removal."

Sec. 19. G.S. 7A-198 reads as rewritten:

"§ 7A-198. *Reporting of civil trials.*--(a) Court-reporting personnel shall be utilized, if available, for the reporting of civil trials in the district court. If court reporters are not available in any county, electronic or other mechanical devices shall be provided by the Administrative Office of the Courts upon request of the chief district judge.

(b) The Administrative Office of the Courts shall from time to time investigate the state of the art and techniques of recording testimony, and shall provide such electronic or mechanical devices as are found to be most efficient for this purpose.

(c) If an electronic or other mechanical device is utilized, it shall be the duty of the clerk of the superior court or some other person designated by him to operate the device while a trial is in progress, and the clerk shall thereafter preserve the record thus produced, which may be transcribed, as required, by any person designated by the Administrative Office of the Courts. If stenotype, shorthand, or stenomask equipment is used, the original tapes, notes, discs, or other records are the property of the State, and the clerk shall keep them in his custody.

(d) Reporting of any trial may be waived by consent of the parties.

(e) Reporting will not be provided in trials before magistrates or in hearings to adjudicate and dispose of infractions in the district court.

(f) Appointment of a reporter or reporters for district court proceedings in each district court district shall be made by the chief district judge for that district. The compensation and allowances of reporters in each district shall be fixed by the chief district judge, within limits determined by the Administrative Officer of the Courts, and paid by the State."

Sec. 20. G.S. 7A-258(b) reads as rewritten:

"(b) A motion to transfer is filed in the action or proceeding sought to be transferred, but it is heard and determined by a judge of the superior court division whether the case is pending in that division or not. A regular resident superior court judge of who has jurisdiction under G.S. 7A-47.1 or G.S. 7A-48 in the district or set of districts as defined in G.S. 7A-41.1(a) in which the county in which the action or proceeding is pending is located, any special superior court judge residing in the district, or any superior court judge presiding over any courts of the district may hear and determine such motion. The motion is heard and determined in a county within the that district or set of districts, except by consent of the parties."

Sec. 21. G.S. 7A-289.2 reads as rewritten:

"§ 7A-289.2. *Definitions.*--The terms or phrases used in this Article shall be defined according to the definitions contained in G.S. 7A-517 and as follows, unless the context or subject matter otherwise requires:

(1) 'Administrator' is the Administrator for Juvenile Services in the Administrative Office of the Courts who is responsible for planning, organizing and administering a statewide system of juvenile probation and aftercare services as authorized by this Article.

(2) 'Aftercare' means the legal status of a child who has been committed by the court to the Department of Correction for placement by said agency in one or more of its institutions or programs and who is being granted conditional release to return to the community as authorized by G.S. 7A-655.

(3) 'Chief court counselor' is the professional person responsible for administration and supervision of juvenile probation and aftercare in each judicial district court district under the supervision of the court and the Administrator for Juvenile Services.

(4) 'Court counselor' is a professional person responsible for juvenile probation and aftercare services to children on probation or on conditional release from the ~~Office of Youth Development, Department of Social Rehabilitation and Control Division of Youth Services, Department of Human Resources~~ under the supervision of the chief court counselor.

(5) 'Director' is the Director of the Administrative Office of the Courts.

(6) 'Division' is the Division of Juvenile Services to administer juvenile probation and aftercare services to juveniles as authorized by this Article.

(7) 'Probation' means the legal status of a child who is delinquent or undisciplined and is placed on probation as authorized by G.S. 7A-649(8) under conditions of probation related to the needs of the child as authorized in that statute."

Sec. 22. G.S. 7A-289.3 reads as rewritten:

" § 7A-289.3. *Division of Juvenile Services.*--A Division of Juvenile Services is hereby created within the Administrative Office of the Courts to be responsible for administration of a statewide and uniform system of juvenile probation and aftercare services in all judicial district court districts of the State. The administrative head of the Division shall be the Administrator for Juvenile Services who shall be appointed by the Director. The Administrator shall be responsible for planning, organizing and administering juvenile probation and aftercare services on a statewide basis to the end that juvenile services will be uniform throughout the State and of sufficient quality to meet the needs of the children under supervision."

Sec. 23. G.S. 7A-289.4 reads as rewritten:

" § 7A-289.4. *Duties and powers of Administrator.*--The Administrator shall have the following powers and duties under the supervision of the Director:

(1) To plan for a statewide program of juvenile probation and aftercare services;

(2) To appoint such personnel within the Administrative Office of the Courts as may be necessary to administer a statewide and uniform system of juvenile probation and aftercare;

(3) To appoint the chief court counselor in each judicial district court district with the approval of the chief district judge of that district and the Director;

(4) To study the various issues related to qualifications, salary ranges, appointment of personnel on a merit basis (including chief court counselors, court counselors, secretaries and other appropriate personnel) at the State and district levels in order to recommend appropriate policies and procedures governing personnel to the Director who may adopt such personnel policies as he finds to be in the best interest of the juvenile services program;

(5) To develop a statewide plan for staff development and training so that chief court counselors, court counselors and other personnel responsible for juvenile services may be appropriately trained and qualified; such plan may include attendance at appropriate professional meetings and opportunities for educational leave for academic study;

(6) To develop, promulgate and enforce such policies, procedures, rules and regulations as he may find necessary and appropriate to implement a statewide and uniform program of juvenile probation and aftercare services."

Sec. 24. G.S. 7A-289.5 reads as rewritten:

" § 7A-289.5. *Duties and powers of chief court counselors.*--The chief court counselor in each judicial district court district who is appointed as provided by this Article shall have the following powers and duties:

(1) To appoint such court counselors, secretaries and other personnel as may be authorized by the Administrative Office of the Courts with the approval of the Administrator in accordance with the personnel policies adopted by the Director.

(2) To supervise and direct the program of juvenile probation and aftercare services within the district court district under the supervision of the court and the Administrator according to the statewide practices and procedures promulgated by the Administrator.

(3) To provide in-service training for staff as required by the Administrator.

(4) To keep such records and make such reports as may be requested by the Administrator in order to provide statewide data and information about juvenile needs and services."

Sec. 25. G.S. 7A-289.6 reads as rewritten:

" § 7A-289.6. *Duties and powers of court counselors.*--The court counselors in each district court district shall have the duties and powers of juvenile probation officers as provided by G.S. 110-23 and as follows:

(1) To conduct a prehearing social study of any child alleged to be delinquent or undisciplined, provided that no social study shall be made prior to an adjudication that the child is within the juvenile jurisdiction of the court unless the child and his parent or attorney or guardian or custodian files a written statement with the court

counselor granting permission and giving consent to such prehearing social study; when such a prehearing social study has been completed, the court counselor shall prepare a written report for the court summarizing the findings which shall contain recommendations as to the type of care and/or treatment needed by the child and which shall be in the form developed by the Administrator for such reports.

(2) To assist the court in handling cases where a child alleged or adjudicated delinquent or undisciplined needs detention care prior to the juvenile hearing, or after a hearing to determine the need for detention, or pending admission of the child to an institution or other residential program.

(3) To bring any child on probation to the attention of the court for review and termination when the child's period of probation is ended as provided by G.S. 7A-658; the counselor may also recommend termination of probation prior to the end of the child's period of probation when such a recommendation is merited by the progress and adjustment of the child.

(4) To assist the court as requested in matters related to children within the juvenile jurisdiction of the court as undisciplined, dependent or neglected or within the Interstate Compact on Juveniles. This provision shall not be construed, however, to deprive the Department of Social Services of the functions assigned to it by law in the area of dependent or neglected children."

Sec. 26. G.S. 7A-344 reads as rewritten:

"§ 7A-344. *Special duties of Director concerning representation of indigent persons.*--In addition to the duties prescribed in G.S. 7A-343, the Director shall also:

(1) Supervise and coordinate the operation of the laws and regulations concerning the assignment of legal counsel for indigent persons under Subchapter IX of this Chapter to the end that all indigent persons are adequately represented;

(2) Advise and cooperate with the offices of the public defenders as needed to achieve maximum effectiveness in the discharge of the defender's responsibilities;

(3) Collect data on the operation of the assigned counsel and the public defender systems, and make such recommendations to the General Assembly for improvement in the operation of these systems as appear to him to be appropriate; and

(4) Accept and utilize federal or private funds, as available, to improve defense services for the indigent, including indigent juveniles alleged to be delinquent or undisciplined. To facilitate processing of juvenile cases, the administrative officer is further authorized, in any ~~judicial district court~~ district, with the approval of the chief district court judge, to engage the services of a particular attorney or attorneys to provide specialized representation on a full-time or part-time basis."

Sec. 27. G.S. 7A-355 reads as rewritten:

" § 7A-355. *Trial court administrators.*--The following judicial districts or sets of districts as defined in G.S. 7A-41.1(a) shall have trial court administrators: ~~tenth, twenty-second, and twenty-eighth~~ Set of districts 10A, 10B, 10C, 10D; District 22 and District 28, and such other judicial districts or sets of districts as may be designated by the Administrative Office of the Courts."

Sec. 28. G.S. 7A-356 reads as rewritten:

" § 7A-356. *Duties.*--The duties of ~~the each~~ trial court administrator shall be to assist ~~the judges of the judicial districts~~ in managing ~~the~~ civil ~~docket,~~ dockets, to improve jury utilization and to perform such duties as may be assigned by the senior resident superior court judge of his district or set of districts as defined in G.S. 7A-41.1(a) or by other judges designated by ~~the~~ that senior resident superior court judge."

Sec. 29. G.S. 7A-452 reads as rewritten:

" § 7A-452. *Source of counsel; fees; appellate records.*--(a) Counsel for an indigent person shall be assigned by the court. In ~~those districts~~ the courts of those counties which have a public defender, however, the public defender may tentatively assign himself or an assistant public defender to represent an indigent person, subject to subsequent approval by the court.

(b) Fees of assigned counsel and salaries and other operating expenses of the offices of the public defenders shall be borne by the State.

(c) (1) The clerk of superior court is authorized to make a determination of indigency and to appoint counsel, as authorized by this Article. The word 'court,' as it is used in this Article and in any rules pursuant to this Article, includes the clerk of superior court.

(2) A judge of superior or district court having authority to appoint counsel in a particular case may give directions to the clerk with regard to the appointment of counsel in that case; may, if he finds it appropriate, change or modify the appointment of counsel when counsel has been appointed by the clerk; and may set aside a finding of waiver of counsel made by the clerk.

(d) Unless a public defender or assistant public defender is appointed to serve, the trial judge appointing standby counsel under G.S. 15A-1243 shall award reasonable compensation to be paid by the State."

Sec. 30. G.S. 7A-453 reads as rewritten:

" § 7A-453. *Duty of custodian of a possibly indigent person; determination of indigency.*--(a) In ~~districts~~ counties which have a public defender, the authority having custody of a person who is without counsel for more than 48 hours after being taken into custody shall so inform the public defender. The public defender shall make a preliminary determination as to the person's entitlement to his services, and proceed accordingly. The court shall make the final determination.

(b) In ~~districts~~ counties which do not have a public defender, the authority having custody of a person who is without counsel for more than 48 hours after being taken into custody shall so inform the clerk of superior court.

(c) In any ~~district~~ county, if a defendant, upon being taken into custody, states that he is indigent and desires counsel, the authority having custody shall immediately inform the defender or the clerk of superior court, as the case may be, who shall take action as provided in this Article.

(d) The duties imposed by this section upon authorities having custody of persons who may be indigent are in addition to the duties imposed upon arresting officers under G.S. 15-47.

Sec. 31. G.S. 7A-459 reads as rewritten:

" § 7A-459. *Implementing regulations by State Bar Council.*--In ~~districts~~ counties which do not have a public defender, the North Carolina State Bar Council shall make rules and regulations consistent with this Article relating to the manner and method of assigning counsel, the procedure for the determination of indigency, the waiver of counsel, the adoption and approval of plans by any district bar as defined in G.S. 84-19 regarding the method of assignment of counsel among the licensed attorneys of the district bar district, and such other matters as shall provide for the protection of the constitutional rights of all indigent persons and the reasonable allocation of responsibility for the representation of indigent persons among the licensed attorneys of this State. Such rules and regulations shall not become effective until certified to and approved by the Supreme Court of North Carolina."

Sec. 32. G.S. 7A-489 reads as rewritten:

" § 7A-489. *Office of Guardian Ad Litem Services established.*--There is established within the Administrative Office of the Courts an Office of Guardian Ad Litem Services to provide services in accordance with G.S. 7A-586 to abused and neglected juveniles involved in judicial proceedings, and to assure that all participants in these proceedings are adequately trained to carry out their responsibilities. Beginning on July 15, 1983, and ending July 1, 1987, the Administrative Office of the Courts shall establish in phases a statewide guardian *ad litem* program comprised of local ~~district~~ programs to be established in all

~~judicial district court districts~~ of the State. Each local ~~district~~ program shall consist of volunteer guardians *ad litem*, at least one program attorney, a program coordinator who is a paid State employee, and such clerical staff as the Administrative Office of the Courts in consultation with the local ~~district~~ program deems necessary. The Administrative Office of the Courts shall promulgate rules and regulations necessary and appropriate for the administration of the program."

Sec. 33. G.S. 7A-490 reads as rewritten:

"§ 7A-490. *Implementation and administration.*--(a) Local ~~District~~ Programs. -- The Administrative Office of the Courts shall, in cooperation with each chief district court judge and other ~~district personnel~~, personnel in the district court district, implement and administer the program mandated by this Article. Local ~~district~~ programs shall be established in eight judicial district court districts in fiscal year 1983-84. Where a local ~~district~~ program has not yet been established in accordance with this Article, the district court district shall operate a guardian *ad litem* program approved by the Administrative Office of the Courts.

(b) Advisory Committee Established. -- The Director of the Administrative Office of the Courts shall appoint a Guardian Ad Litem Advisory Committee consisting of at least five members to advise the Office of Guardian Ad Litem Services in matters related to this program. The members of the Advisory Committee shall receive the same per diem and reimbursement for travel expenses as members of State boards and commissions generally."

Sec. 34. G.S. 7A-491 reads as rewritten:

"§ 7A-491. *Conflict of interest or impracticality of implementation.*-- If a conflict of interest prohibits a local ~~district~~ program from providing representation to an abused or neglected juvenile, the court may appoint any member of the district bar to represent said juvenile. If the Administrative Office of the Courts determines that within a particular judicial district court district the implementation of a local ~~district~~ program is impractical, or that an alternative plan meets the conditions of G.S. 7A-492, the Administrative Office of the Courts shall waive the establishment of the program within the district."

Sec. 35. G.S. 7A-492 reads as rewritten:

"§ 7A-492. *Alternative plans.*--A district court district shall be granted a waiver from the implementation of a local ~~district~~ program if the Administrative Office of the Courts determines that the following conditions are met:

↳ (1) An alternative plan has been developed to provide adequate guardian *ad litem* services for every child consistent with the duties stated in G.S. 7A-586; and

~~2-~~ (2) The proposed alternative plan will require no greater proportion of State funds than the district court district's abuse and neglect caseload represents to the State's abuse and neglect caseload. Computation of abuse and neglect caseloads shall include such factors as child population, number of substantiated child abuse and neglect reports, number of child abuse and neglect petitions, number of abused and neglected children in care to be reviewed pursuant to G.S. 7A-657, nature of the district's district court caseload, and number of petitions to terminate parental rights.

When an alternative plan is approved pursuant to this section, the Administrative Office of the Courts shall retain authority to monitor implementation of the said plan in order to assure compliance with the requirements of this Article and G.S. 7A-586. In any district court district where the Administrative Office of the Courts determines that implementation of an alternative plan is not in compliance with the requirements of this section, the Administrative Office of the Courts may implement and administer a program authorized by this Article."

Sec. 36. G.S. 7A-517 is amended by adding a new subdivision to read:

"(15a) District. -- Any district court district as established by G.S. 7A-133."

Sec. 37. G.S. 7A-517 is amended by adding a new subdivision to read:

"(19a) Judicial District. -- Any district court district as established by G.S. 7A-133."

Sec. 38. G.S. 9-5 reads as rewritten:

" § 9-5. *Procedure for drawing panel of jurors; numbers drawn.*--The board of county commissioners in each county shall provide the clerk of superior court with a jury box, the construction and dimensions of which shall be prescribed by the administrative officer of the courts. At least 30 days prior to January 1 of any year for which a list of prospective jurors has been prepared, a number of discs, squares, counters or markers equal to the number of names on the jury list shall be placed in the jury box. The discs, squares, counters, or markers shall be uniform in size, weight, and appearance, and may be made of any suitable material. They shall be numbered consecutively to correspond with the numbers on the jury list. The jury box shall be of sufficient size to hold the discs, squares, counters or markers so that they may be easily shaken and mixed, and the box shall have a hinged lid through which the discs, squares, counters or markers can be drawn. The lid shall have a lock, the key to which shall be kept by the clerk of superior court.

At least 30 days prior to any session or sessions of superior or district court requiring a jury, the clerk of superior court or his assistant or deputy shall, in public, after thoroughly shaking the box, draw therefrom the number of discs, squares, counters, or markers equal to the number of jurors required for the session or sessions scheduled. For each week of a superior court session, the senior ~~regular~~ resident superior court judge for the district or set of districts as defined in G.S. 7A-41.1(a) in which the county is located shall specify the number of jurors to be drawn. For each week of a district court jury session, the chief district judge of the district court district in which the county is located shall specify the number of jurors to be drawn. Pooling of jurors between or among concurrent sessions of various courts is authorized in the discretion of the senior regular resident superior court judge. When pooling is utilized, the senior regular resident superior court judge, after consultation with the chief district judge when a district court jury is required, shall specify the total number of jurors to be drawn for such concurrent sessions. When grand jurors are needed, nine additional numbers shall be drawn.

As the discs, squares, counters, or markers are drawn, they shall be separately stored by the clerk until a new jury list is prepared.

The clerk of superior court shall deliver the list of numbers drawn from the jury box to the register of deeds, who shall match the numbers received with the numbers on the jury list. The register of deeds shall within three days thereafter notify the sheriff to summon for jury duty the persons on the jury list whose numbers are thus matched. The persons so summoned may serve as jurors in either the superior or the district court, or both, for the week for which summoned. Jurors who serve each week shall be discharged at the close of the weekly session or sessions, unless actually engaged in the trial of a case, and then they shall not be discharged until their service in that case is completed."

Sec. 39. G.S. 1-353 reads as rewritten:

" § 1-353. *Property withheld from execution; proceedings.*--After the issuing of an execution against property, and upon proof by affidavit of a party, his agent or attorney, to the satisfaction of the court or a judge thereof, that any judgment debtor residing in the ~~judicial district~~ district court district as defined in G.S. 7A-133 or superior court district as defined in G.S. 7A-41.1, as the case may be, where such judge or sheriff resides has property which he unjustly refuses to apply toward the satisfaction of the judgment, such court or judge may, by order, require the judgment debtor to appear at a specified time and place, to answer concerning the same; and proceedings may thereupon be had for the application of the property of the judgment debtor towards the satisfaction of the judgment as provided upon the

return of an execution, and the judgment creditor is entitled to the order of examination under this ~~and the preceding section~~ section and G.S. 1-352 although the judgment debtor has an equitable estate in land subject to the lien of the judgment, or choses in action, or other things of value unaffected by the lien of the judgment and incapable of levy."

Sec. 40. G.S. 1-440.14 reads as rewritten:

" § 1-440.14. *Notice of issuance of order of attachment when no personal service.*--(a) When service of process by publication is made subsequent to the original order of attachment, the published and mailed notice of service of process shall include notice of the issuance of the order of attachment.

(b) When the original order of attachment is issued after publication is begun, a notice of the issuance of the order of attachment shall be published once a week for four successive weeks in some newspaper published in the county in which the action is pending, such publication to be commenced within 30 days after the issuance of the order of attachment. Such notice shall show

- (1) The county and the court in which the action is pending,
- (2) The names of the parties,
- (3) The purpose of the action, and
- (4) The fact that on a date specified an order was issued to attach the defendant's property.

(c) If no newspaper is published in the county in which the action is pending, the notice

- (1) Shall be published once a week for four successive weeks in some newspaper published in the same ~~judicial district~~ district court district as defined in G.S. 7A-133 or superior court district or set of districts as defined in G.S. 7A-41.1, as the case may be, or
- (2) Shall be posted at the courthouse door in the county for 30 days."

Sec. 41. G.S. 1-597 reads as rewritten:

" § 1-597. *Regulations for newspaper publication of legal notices, advertisements, etc.*--Whenever a notice of any other paper, document or legal advertisement of any kind or description shall be authorized or required by any of the laws of the State of North Carolina, heretofore or hereafter enacted, or by any order or judgment of any court of this State to be published or advertised in a newspaper, such publication, advertisement or notice shall be of no force and effect unless it shall be published in a newspaper with a general circulation to actual paid subscribers which newspaper at the time of such publication, advertisement or notice, shall have been admitted to the

United States mails as second-class matter in the county or political subdivision where such publication, advertisement or notice is required to be published, and which shall have been regularly and continuously issued in the county in which the publication, advertisement or notice is authorized or required to be published, at least one day in each calendar week for at least 25 of the 26 consecutive weeks immediately preceding the date of the first publication of such advertisement, publication or notice; provided that in the event that a newspaper otherwise meeting the qualifications and having the characteristics prescribed by G.S. 1-597 to 1-599, should fail for a period not exceeding four weeks in any calendar year to publish one or more of its issues such newspaper shall nevertheless be deemed to have complied with the requirements of regularity and continuity of publication prescribed herein. Provided further, that where any city or town is located in two or more adjoining counties, any newspaper published in such city or town shall, for the purposes of G.S. 1-597 to 1-599, be deemed to be admitted to the mails, issued and published in all such counties in which such town or city of publication is located, and every publication, advertisement or notice required to be published in any such city or town or in any of the counties where such city or town is located shall be valid if published in a newspaper published, issued and admitted to the mails anywhere within any such city or town, regardless of whether the newspaper's plant or the post office where the newspaper is admitted to the mails is in such county or not, if the newspaper otherwise meets the qualifications and requirements of G.S. 1-597 to 1-599. This provision shall be retroactive to May 1, 1940, and all publications, advertisements and notices published in accordance with this provision since May 1, 1940, are hereby validated.

Notwithstanding the provisions of G.S. 1-599, whenever a notice or any other paper, document or legal advertisement of any kind or description shall be authorized or required by any of the laws of the State of North Carolina, heretofore or hereafter enacted, or by any order or judgment of any court of this State to be published or advertised in a newspaper qualified for legal advertising in a county and there is no newspaper qualified for legal advertising as defined in this section in such county, then it shall be deemed sufficient compliance with such laws, order or judgment by publication of such notice or any other such paper, document or legal advertisement of any kind or description in a newspaper published in an adjoining county or in a county within the same ~~judicial district~~ district court district as defined in G.S. 7A-133 or superior court district or set of districts as defined in G.S. 7A-41.1, as the case may be; provided, if the clerk of the superior court finds as a fact that such newspaper

otherwise meets the requirements of this section and has a general circulation in such county where no newspaper is published meeting the requirements of this section."

Sec. 42. Rule 30(h) of the Rules of Civil Procedure, G.S. 1A-1 reads as rewritten:

"(h) Judge; definition. --

(1) In respect to actions in the superior court, a judge of the court in which the action is pending shall, for the purposes of this rule, and Rule 26, Rule 31, Rule 33, Rule 34, Rule 35, Rule 36 and Rule 37, be ~~either a resident judge of the judicial district or a judge regularly presiding over the courts of the district or any special superior court judge holding court within the judicial district or residing therein~~ a superior court judge who has jurisdiction pursuant to G.S. 7A-47.1 or G.S. 7A-48 in that county.

(2) In respect to actions in the district court, a judge of the court in which the action is pending shall, for the purposes of this rule, Rule 26, Rule 31, Rule 33, Rule 34, Rule 35, Rule 36 and Rule 37, be the chief district judge or any judge designated by him pursuant to G.S. 7A-192.

(3) In respect to actions in either the superior court or the district court, a judge of the court in the county where the deposition is being taken shall, for the purposes of this rule, be ~~either a resident judge of the judicial district or a judge regularly presiding over the courts, or any special superior court judge holding court within the judicial district or residing therein~~ a superior court judge who has jurisdiction pursuant to G.S. 7A-47.1 or G.S. 7A-48 in that county, or the chief judge of the district court or any judge designated by him pursuant to G.S. 7A-192."

Sec. 43. Rule 40 of the Rules of Civil Procedure, G.S. 1A-1 reads as rewritten:

"*Rule 40. Assignment of cases for trial; continuances.* (a) The senior resident superior court judge of any judicial district senior in point of continuous service on the superior court ~~superior court district or set of districts as defined in G.S. 7A-41.1~~ may provide by rule for the calendaring of actions for trial in the superior court division of the various counties within his district or set of districts. Calendaring of actions for trial in the district court shall be in accordance with G.S. 7A-146. Precedence shall be given to actions entitled thereto by any statute of this State.

(b) No continuance shall be granted except upon application to the court. A continuance may be granted only for good cause shown and upon such terms and conditions as justice may require. Good cause for granting a continuance shall include those instances when a party to the proceeding, a witness, or counsel of record has an obligation of

service to the State of North Carolina, including service as a member of the General Assembly."

Sec. 44. G.S. 5A-15 reads as rewritten:

" § 5A-15. *Plenary proceedings for contempt.* (a) When a judicial official chooses not to proceed summarily against a person charged with direct criminal contempt or when he may not proceed summarily, he may proceed by an order directing the person to appear before a judge at a reasonable time specified in the order and show cause why he should not be held in contempt of court. A copy of the order must be furnished to the person charged. If the criminal contempt is based upon acts before a judge which so involve him that his objectivity may reasonably be questioned, the order must be returned before a different judge.

(b) Proceedings under this section are before a district court judge unless a court superior to the district court issued the order, in which case the proceedings are before that court. Venue lies throughout the ~~judicial district~~ district court district as defined in G.S. 7A-133 or superior court district or set of districts as defined in G.S. 7A-41.1, as the case may be, where the order was issued.

(c) The person ordered to show cause may move to dismiss the order.

(d) The judge is the trier of facts at the show cause hearing.

(e) The person charged with contempt may not be compelled to be a witness against himself in the hearing.

(f) At the conclusion of the hearing, the judge must enter a finding of guilty or not guilty. If the person is found to be in contempt, the judge must make findings of fact and enter judgment. The facts must be established beyond a reasonable doubt.

(g) The judge presiding over the hearing may appoint a prosecutor or, in the event of an apparent conflict of interest, some other member of the bar to represent the court in hearings for criminal contempt."

Sec. 45. G.S. 5A-22 reads as rewritten:

" § 5A-22. *Release when civil contempt no longer continues.*-- (a) A person imprisoned for civil contempt must be released when his civil contempt no longer continues. The order of the court holding a person in civil contempt must specify how the person may purge himself of the contempt. Upon finding compliance with the specifications, the sheriff or other officer having custody may release the person without a further order from the court.

(b) On motion of the contemnor, the court must determine if he is subject to release and, on an affirmative determination, order his release. The motion must be directed to the judge who found civil contempt unless he is not available. Then the motion must be made to a judge of the same division in the same ~~judicial district~~ district court

district as defined in G.S. 7A-133 or superior court district or set of districts as defined in G.S. 7A-41.1, as the case may be. The contemnor may also seek his release under other procedures available under the law of this State."

Sec. 46. G.S. 5A-23 reads as rewritten:

"§ 5A-23. *Proceedings for civil contempt.*--(a) Proceedings for civil contempt are either by the order of a judicial official directing the alleged contemnor to appear at a specified reasonable time and show cause why he should not be held in civil contempt or by the notice of a judicial official that the alleged contemnor will be held in contempt unless he appears at a specified reasonable time and shows cause why he should not be held in contempt. The order or notice must be given at least five days in advance of the hearing unless good cause is shown. The order or notice may be issued on the motion and sworn statement or affidavit of one with an interest in enforcing the order, including a judge, and a finding by the judicial official of probable cause to believe there is civil contempt.

(b) Except when the General Statutes specifically provide for the exercise of contempt power by the clerk of superior court, proceedings under this section are before a district court judge, unless a court superior to the district court issued the order in which case the proceedings are before that court. When the proceedings are before a superior court, venue is in the ~~judicial district~~ superior court district or set of districts as defined in G.S. 7A-41.1 of the court which issued the order. Otherwise, venue is in the county where the order was issued.

(c) The person ordered to show cause may move to dismiss the order.

(d) The judicial official is the trier of facts at the show cause hearing.

(e) At the conclusion of the hearing, the judicial official must enter a finding for or against the alleged contemnor. If civil contempt is found, the judicial official must enter an order finding the facts constituting contempt and specifying the action which the contemnor must take to purge himself of the contempt.

(f) A person with an interest in enforcing the order may present the case for a finding of civil contempt for failure to comply with an order.

(g) A judge conducting a hearing to determine if a person is in civil contempt may at that hearing, upon making the required findings, find the person in criminal contempt for the same conduct, regardless of whether imprisonment for civil contempt is proper in the case."

Sec. 47. G.S. 9-6 reads as rewritten:

"§ 9-6. *Jury service a public duty; excuses to be allowed in*

exceptional cases; procedure.--(a) The General Assembly hereby declares the public policy of this State to be that jury service is the solemn obligation of all qualified citizens, and that excuses from the discharge of this responsibility should be granted only for reasons of compelling personal hardship or because requiring service would be contrary to the public welfare, health, or safety.

(b) Pursuant to the foregoing policy, ~~the each chief district court judge of each district~~ shall promulgate procedures whereby he or any district court judge of his district court district designated by him, prior to the date that a jury session (or sessions) of superior or district court convenes, shall receive, hear, and pass on applications for excuses from jury duty. The procedures shall provide for the time and place, publicly announced, at which applications for excuses will be heard, and prospective jurors who have been summoned for service shall be so informed. In ~~districts~~ counties located in a district or set of districts as defined in G.S. 7A-41.1(a) which ~~that~~ have a trial court administrator, the chief district judge may assign the duty of passing on applications for excuses from jury service to the administrator. In all cases concerning excuses, the clerk of court or the trial court administrator ~~in districts that have a trial court administrator,~~ shall notify prospective jurors of the disposition of their excuses.

(c) A prospective juror excused by a judge in the exercise of the discretion conferred by subsection (b) may be required by the judge to serve as a juror in a subsequent session of court. If required to serve subsequently, the juror shall be considered on such occasion the same as if he were a member of the panel regularly summoned for jury service at that time.

(d) A judge hearing applications for excuses from jury duty shall excuse any person disqualified under § 9-3.

(e) The judge shall inform the clerk of superior court of persons excused under this section, and the clerk within 10 days shall so notify the register of deeds, who shall note the excuse on the juror's card and file it separately from the jury list.

(f) The discretionary authority of a presiding judge to excuse a juror at the beginning of or during a session of court is not affected by this section."

Sec. 48. G.S. 9-12 reads as rewritten:

"§ 9-12. *Supplemental jurors from other counties.*--(a) On motion of any party or the State, or on his own motion, any judge of the superior court, if he is of the opinion that it is necessary in order to provide a fair trial in any case, and regardless of whether he will preside over the trial of that case, may order as many jurors as he deems necessary to be summoned from any county or counties in the ~~same judicial~~ district or set of districts as defined in G.S. 7A-41.1(a)

in which ~~as~~ the county of trial is located or in any adjoining judicial district district or set of districts. These jurors shall be selected and shall serve in the manner provided for selection and service of supplemental jurors selected from the jury list. These jurors shall be subject to the same challenges as other jurors, except challenges for nonresidence in the county of trial.

(b) Transportation may be furnished in lieu of mileage."

Sec. 49. G.S. 14-425 reads as rewritten:

" § 14-425. *Enjoining practice of debt adjusting; appointment of receiver for money and property employed.*--The superior court shall have jurisdiction, in an action brought in the name of the State by the district attorney of the judicial district prosecutorial district as defined in G.S. 7A-60, to enjoin any person from acting, offering to act, or attempting to act, as a debt adjuster, or engaging in the business of debt adjusting; and, in such action, may appoint a receiver for the property and money employed in the transaction of business by such person as a debt adjuster, to insure, so far as may be possible, the return to debtors of so much of their money and property as has been received by the debt adjuster, and has not been paid to the creditors of the debtors."

Sec. 50. G.S. 15-155.1 reads as rewritten:

" § 15-155.1. *Reports to district attorneys of aid to dependent children and illegitimate births.*--The Department of Human Resources, by and through the Secretary of Human Resources, shall promptly after June 19, 1959, make a report to each district attorney ~~of superior court~~, setting out the names and addresses of all mothers who reside in his judicial district prosecutorial district as defined in G.S. 7A-60 and are recipients of aid to dependent children under the provisions of Part 2, ~~Article 3, Chapter 108~~ Article 2, Chapter 108A of the General Statutes. Such report shall in some manner show the identity of the unwed mothers and shall set forth the number of children born to each said mother. Such a report shall also be made monthly thereafter setting out the names and addresses of all such mothers who reside in the district and who may have become recipients of aid to dependent children since the date of the last report."

Sec. 51. G.S. 15-217.1 reads as rewritten:

" § 15-217.1. *Filing petition with clerk; delivery of copy to district attorney; review of petition by judge.*--The proceeding shall be commenced by filing with the clerk of superior court of the county in which the conviction took place a petition, with two copies thereof, verified by affidavit. One copy shall be delivered by the clerk to the district attorney of the judicial district prosecutorial district as defined in G.S. 7A-60 who prosecutes the criminal docket of the superior court of the county in which said petition is filed, either in person or

by ordinary mail, and the clerk shall enter upon his docket the date and manner of delivery of such copy.

The clerk shall place the petition upon the criminal docket upon his receipt thereof. The clerk shall promptly after delivery of copy to the district attorney bring the petition, or a copy thereof, to the attention of the resident judge or any judge holding the courts of the district or any judge holding court in the county. Such judge shall review the petition and make such order as he deems appropriate with respect to permitting the petitioner to prosecute such action without providing for the payment of costs, with respect to the appointment of counsel, and with respect to the time and place of hearing upon the petition. If it appears to the judge that substantial injustice may be done by any delay in hearing upon the matters alleged in the petition, he may issue such order as may be appropriate to bring the petitioner before the court without delay, and may direct the district attorney to answer the petition at a time specified in the order, and the court shall thereupon inquire into the matters alleged as directed by the reviewing judge, as in the case of a writ of *habeas corpus*. If upon review of the petition it does not appear to the judge that an order advancing the hearing or other order is appropriate, he shall return the petition to the clerk with a notation to that effect."

Sec. 52. G.S. 15A-101 reads as rewritten:

"§ 15A-101. *Definitions.*--Unless the context clearly requires otherwise, the following words have the listed meanings:

(0.1) Appeal. -- When used in a general context, the term 'appeal' also includes appellate review upon writ of *certiorari*.

(1) Attorney of Record. -- An attorney who, under Article 4 of this Chapter, Entry and Withdrawal of Attorney in Criminal Case, has entered a criminal proceeding and has not withdrawn

(2) Clerk. -- Any clerk of superior court, acting clerk, or assistant or deputy clerk.

(3) District Court. -- The District Court Division of the General Court of Justice.

(4) District Attorney. -- The person elected and currently serving as district attorney in his prosecutorial district.

(4a) Entry of Judgment. -- Judgment is entered when sentence is pronounced. Prayer for judgment continued upon payment of costs, without more, does not constitute the entry of judgment.

(5) Judicial Official. -- A magistrate, clerk, judge, or justice of the General Court of Justice.

(6) Officer. -- Law-enforcement officer.

(7) Prosecutor. -- The district attorney, any assistant district attorney or any other attorney designated by the district attorney to act for the State or on behalf of the district attorney.

(8) State. -- The State of North Carolina, all land or water in respect to which the State of North Carolina has either exclusive or concurrent jurisdiction, and the airspace above that land or water. 'Other state' means any state or territory of the United States, the District of Columbia or the Commonwealth of Puerto Rico.

(9) Superior Court. -- The Superior Court Division of the General Court of Justice.

(10) Superior Court Judge. -- ~~Any judge assigned to preside over a session of superior court in the judicial district, any resident superior court judge of the judicial district, or any special judge of superior court residing in the judicial district~~ a superior court judge who has jurisdiction pursuant to G.S. 7A-47.1 or G.S. 7A-48 in the district or set of districts as defined in G.S. 7A-41.1.

(11) Vehicle. -- Aircraft, watercraft, or landcraft or other conveyance."

Sec. 53. G.S. 15A-131 reads as rewritten:

" § 15A-131. *Venue generally.*--(a) Venue for pretrial and trial proceedings in district court of cases within the original jurisdiction of the district court lies in the county where the charged offense occurred.

(b) Except for the probable cause hearing, venue for pretrial proceedings in cases within the original jurisdiction of the superior court lies in the ~~judicial district~~ superior court district or set of districts as defined in G.S. 7A-41.1 embracing the county where venue for trial proceedings lies.

(c) Except as otherwise provided in this subsection, venue for probable cause hearings and trial proceedings in cases within the original jurisdiction of the superior court lies in the county where the charged offense occurred. If the alleged offense is committed within the corporate limits of a municipality which is the seat of superior court and is located in more than one county, venue lies in the superior court which sits within that municipality, but upon timely objection of the defendant or the district attorney in the county in which the alleged offense occurred the case must be transferred to the county in which the alleged offense occurred.

(d) Venue for misdemeanors appealed for trial *de novo* in superior court lies in the county where the misdemeanor was first tried.

(e) An offense occurs in a county if any act or omission constituting part of the offense occurs within the territorial limits of the county.

(f) For the purposes of this Article, pretrial proceedings are proceedings occurring after the initial appearance before the magistrate and prior to arraignment."

Sec. 54. G.S. 15A-133 reads as rewritten:

" § 15A-133. *Waiver of venue; motion for change of venue; indictment may be returned in other county.*--(a) Except for a waiver of venue

made as required in Article 35 of this Chapter, Speedy Trial, a waiver of venue must be in writing and signed by the defendant and the prosecutor indicating the consent of all parties to the waiver. The waiver must specify what stages of the proceedings are affected by the waiver, and the county to which venue is changed. If the venue is to be laid in a county in another judicial-prosecutorial district, the consent in writing of the prosecutor in that district must be filed with the clerks of both counties.

(b) If a waiver of venue is made by the defendant as provided in Article 35 of this Chapter, Speedy Trial, the prosecutor in his discretion may elect the county in the district-prosecutorial district as defined in G.S. 7A-60 in which to proceed. He may also elect not to proceed in another county, but the State is subject to the sanctions provided in Article 35.

(c) Motions for change of venue by the defendant are made under G.S. 15A-957. If venue is laid in a county in another judicial-prosecutorial district by order of the judge ruling on the motion, no consent of any prosecutor is required.

(d) If venue is changed to a county in another judicial-prosecutorial district, whether upon waiver of venue or by order of a judge, the prosecutor of the prosecutorial district where the case originated must prosecute the case unless the prosecutor of the district to which venue has been changed consents to conduct the prosecution.

(e) If venue is changed, whether upon waiver of venue or by order of a judge, the grand jury in the county to which venue has been transferred has the power to return an indictment in the case. If an indictment has already been returned before the change of venue, no new indictment is necessary and prosecution may be had in the new county under the original indictment."

Sec. 55. G.S. 15A-535 reads as rewritten:

" § 15A-535. *Issuance of policies on pretrial release.*--(a) Subject to the provisions of this Article, the senior resident superior court judge ~~of for each~~ judicial district or set of districts as defined in G.S. 7A-41.1(a) in consultation with the chief district court judge or judges of all the district court districts in which are located any of the counties in the senior resident superior court judge's district or set of districts, must devise and issue recommended policies to be followed within ~~the district~~ each of those counties in determining whether, and upon what conditions, a defendant may be released before trial.

(b) In any county in which there is a pretrial release program, the senior resident superior court judge ~~of the judicial district~~ may, after consultation with the chief district court judge, order that defendants accepted by such program for supervision shall, with their consent, be released by judicial officials to supervision of such programs, and

subject to its rules and regulations, in lieu of releasing the defendants on conditions (1), (2), or (3) of G.S. 15A-534(a)."

Sec. 56. G.S. 15A-536 reads as rewritten:

"§ 15A-536. *Release after conviction in the superior court.*—(a) A defendant whose guilt has been established in the superior court and is either awaiting sentence or has filed an appeal from the judgment entered may be ordered released upon conditions in accordance with the provisions of this Article.

(b) If release is ordered, the judge must impose the conditions set out in G.S. 15A-534(a) which will reasonably assure the presence of the defendant when required and provide adequate protection to persons and the community. If no single condition gives the assurance, the judge may impose the condition in G.S. 15A-534(a)(3) in addition to any other condition and may also, or in lieu of the condition in G.S. 15A-534(a)(3), place restrictions on the travel, associations, conduct, or place of abode of the defendant.

(c) In determining what conditions of release to impose, the judge must, on the basis of available information, consider the appropriate factors set out in G.S. 15A-534(c).

(d) A judge authorizing release of a defendant under this section must issue an appropriate order containing a statement of the conditions imposed, if any; inform the defendant in writing of the penalties applicable to violations of the conditions of his release; and advise him that his arrest will be ordered immediately upon any such violation. The order of release must be filed with the clerk and a copy given the defendant.

(e) An order of release may be modified or revoked by any superior court judge who has ordered the release of a defendant under this section or, if that judge is absent from the judicial district superior court district or set of districts as defined in G.S. 7A-41.1, by any other superior court judge. If the defendant is placed in custody as the result of a revocation or modification of an order of release, the defendant is entitled to an immediate hearing on whether he is again entitled to release and, if so, upon what conditions.

(f) In imposing conditions of release and in modifying and revoking orders of release under this section, the judge must take into account all evidence available to him which he considers reliable and is not strictly bound by the rules of evidence applicable to criminal trials."

Sec. 57. G.S. 15A-544(g) reads as rewritten:

"(g) If a return of execution upon a judgment against an obligor remains unsatisfied for 10 days, the obligor may not become surety on any bail bond in the judicial prosecutorial district so long as the judgment remains unsatisfied. Nothing in this subsection makes lawful any act made unlawful by Chapter 85C of the General

Statutes."

Sec. 58. G.S. 15A-601 reads as rewritten:

" § 15A-601. *First appearance before a district court judge; right in felony and other cases in original jurisdiction of superior court; consolidation of first appearance before magistrate and before district court judge; first appearance before clerk of superior court.*--(a) Any defendant charged in a magistrate's order under G.S. 15A-511 or criminal process under Article 17 of this Chapter, Criminal Process, with a crime in the original jurisdiction of the superior court must be brought before a district court judge in the ~~judicial district~~ district court district as defined in G.S. 7A-133 in which the crime is charged to have been committed. This first appearance before a district court judge is not a critical stage of the proceedings against the defendant.

(b) When a district court judge conducts an initial appearance as provided in G.S. 15A-511, he may consolidate those proceedings and the proceedings under this Article.

(c) Unless the defendant is released pursuant to Article 26 of this Chapter, Bail, first appearance before a district court judge must be held within 96 hours after the defendant is taken into custody or at the first regular session of the district court in the county, whichever occurs first. If the defendant is not taken into custody, or is released pursuant to Article 26 of this Chapter, Bail, within 96 hours after being taken into custody, first appearance must be held at the next session of district court held in the county. This subsection does not apply to a defendant whose first appearance before a district court judge has been set in a criminal summons pursuant to G.S. 15A-303(d).

(d) Upon motion of the defendant, the first appearance before a district court judge may be continued to a time certain. The defendant may not waive the holding of the first appearance before a district court judge but he need not appear personally if he is represented by counsel at the proceeding.

(e) The clerk of the superior court in the county in which the defendant is taken into custody may conduct a first appearance as provided in this Article if a district court judge is not available in the county within 96 hours after the defendant is taken into custody. The clerk, in conducting a first appearance, shall proceed under this Article as would a district court judge."

Sec. 59. G.S. 15A-628 reads as rewritten:

" § 15A-628. *Functions of grand jury; record to be kept by clerk.*--(a) A grand jury:

- (1) Must return a bill submitted to it by the prosecutor as a true bill of indictment if it finds from the evidence probable cause for the charge made.

- (2) Must return a bill submitted to it by the prosecutor as not a true bill of indictment if it fails to find probable cause for the charge made. Upon returning a bill of indictment as not a true bill, the grand jury may request the prosecutor to submit a bill of indictment as to a lesser included or related offense.
- (3) May return the bill to the court with an indication that the grand jury has not been able to act upon it because of the unavailability of witnesses.
- (4) May investigate any offense as to which no bill of indictment has been submitted to it by the prosecutor and issue a presentment accusing a named person or named persons with one or more criminal offenses if it has found probable cause for the charges made. An investigation may be initiated upon the concurrence of 12 members of the grand jury itself or upon the request of the presiding or convening judge or the prosecutor.
- (5) Must inspect the jail and may inspect other county offices or agencies and must report the results of its inspections to the court.

(b) In proceeding under subsection (a), the grand jury may consider any offense which may be prosecuted in the courts of the county, or in the courts of the ~~judicial district~~ superior court district or set of districts as defined in G.S. 7A-41.1 when there has been a waiver of venue in accordance with Article 3 of this Chapter, Venue.

(c) Bills of indictment submitted by the prosecutor to the grand jury, whether found to be true bills or not, must be returned by the foreman of the grand jury to the presiding judge in open court. Presentments must also be returned by the foreman of the grand jury to the presiding judge in open court.

(d) The clerk must keep a permanent record of all matters returned by the grand jury to the judge under the provisions of this section."

Sec. 60. G.S. 15A-702 reads as rewritten:

" § 15A-702. *Counties with limited court sessions.*--(a) If the venue of the defendant's case lies within a county where, due to the limited number of court sessions scheduled for the county, the applicable time limit specified by G.S. 15A-701 has not been met, the defendant may file a motion for prompt trial with (i) a superior court judge presiding over a mixed or criminal session within the same ~~judicial district~~ superior court district or set of districts as defined in G.S. 7A-41.1 where the defendant is charged with an offense within the original jurisdiction of the superior court or with a misdemeanor docketed in the superior court for trial *de novo*; or (ii) a district court judge presiding in the county in which the venue of the case lies, or in the

event that there is no district court judge presiding in that county, in the ~~judicial district~~ district court district as defined in G.S. 7A-133 embracing the county in which the venue lies where the defendant is charged with a misdemeanor pending in district court.

(a) A county is conclusively presumed to be a county where, due to the limited number of court sessions scheduled for the county, the applicable time limit specified by G.S. 15A-701 has not been met, if the county has scheduled each year fewer than eight regularly scheduled criminal or mixed weekly sessions of superior court. In any other county, a determination shall be made in each case whether the applicable time limit specified by G.S. 15A-701 has not been met due to the limited number of court sessions scheduled for that county.

(b) The judge with whom the petition for prompt trial is filed may order the defendant's case be brought to trial within not less than 30 days.

(c) A defendant who files a petition for prompt trial under this section accepts venue anywhere within the ~~judicial district~~ district court district as defined in G.S. 7A-133 or superior court district or set of districts as defined in G.S. 7A-41.1, as the case may be, and may not continue or delay his case except on the basis of matters which arise after he files the petition and which he or his counsel could not have reasonably anticipated. The defendant may withdraw the petition for prompt trial only on order of the court, for good cause shown or with the consent of the prosecutor."

Sec. 61. G.S. 15A-711 reads as rewritten:

"§ 15A-711. *Securing attendance of criminal defendants confined in institutions within the State; requiring prosecutor to proceed.*--(a) When a criminal defendant is confined in a penal or other institution under the control of the State or any of its subdivisions and his presence is required for trial, the prosecutor may make written request to the custodian of the institution for temporary release of the defendant to the custody of an appropriate law-enforcement officer who must produce him at the trial. The period of the temporary release may not exceed 60 days. The request of the prosecutor is sufficient authorization for the release, and must be honored, except as otherwise provided in this section.

(b) If the defendant whose presence is sought is confined pursuant to another criminal proceeding in a different ~~judicial district~~ prosecutorial district as defined in G.S. 7A-60, the defendant and the prosecutor prosecuting the other criminal action must be given reasonable notice and opportunity to object to the temporary release. Objections must be heard by a superior court judge having authority to act in criminal cases in the ~~district~~ superior court district or set of districts as defined in G.S. 7A-41.1 in which the defendant is

confined, and he must make appropriate orders as to the precedence of the actions.

(c) A defendant who is confined in an institution in this State pursuant to a criminal proceeding and who has other criminal charges pending against him may, by written request filed with the clerk of the court where the other charges are pending, require the prosecutor prosecuting such charges to proceed pursuant to this section. A copy of the request must be served upon the prosecutor in the manner provided by the Rules of Civil Procedure. G.S. 1A-1, Rule 5(b). If the prosecutor does not proceed pursuant to subsection (a) within six months from the date the request is filed with the clerk, the charges must be dismissed.

(d) Detainer.

- (1) When a criminal defendant is imprisoned in this State pursuant to prior criminal proceedings, the clerk upon request of the prosecutor, must transmit to the custodian of the institution in which he is imprisoned, a copy of the charges filed against the defendant and a detainer directing that the prisoner be held to answer to the charges made against him. The detainer must contain a notice of the prisoner's right to proceed pursuant to G.S. 15A-711(c) and his right to a speedy trial pursuant to Article 35 of this Chapter, Speedy Trial.
- (2) Upon receipt of the charges and the detainer, the custodian must immediately inform the prisoner of its receipt and furnish him copies of the charges and the detainer, must explain to him his right to proceed pursuant to G.S. 15A-711(c) and his right to a speedy trial under Article 35 of this Chapter, Speedy Trial.
- (3) The custodian must notify the clerk who transmitted the detainer of the defendant's impending release at least 30 days prior to the date of release. The notice must be given immediately if the detainer is received less than 30 days prior to the date of release. The clerk must direct the sheriff to take custody of the defendant and produce him for trial. The custodian must release the defendant to the custody of the sheriff, but may not hold the defendant in confinement beyond the date on which he is eligible for release.
- (4) A detainer may be withdrawn upon request of the prosecutor, and the clerk must notify the custodian, who must notify the defendant."

Sec. 62. G.S. 15A-821 reads as rewritten:

" § 15A-821. *Securing attendance of prisoner in this State as witness in proceeding outside the State.*--(a) If a judge of a court of general

jurisdiction in any other state, which by its laws has made provision for commanding a prisoner within that state to attend and testify in this State, certifies under the seal of that court that there is a criminal prosecution pending in the court or that a grand jury investigation has commenced, and that a person confined in an institution under the control of the State Department of Correction of North Carolina, other than a person confined as criminally insane, is a material witness in the prosecution or investigation and that his presence is required for a specified number of days, upon presentment of the certificate to a superior court judge in the judicial district superior court district or set of districts as defined in G.S. 7A-41.1 where the person is confined, upon notice to the Attorney General, the judge must fix a time and place for a hearing and order the person having custody of the prisoner to produce him at the hearing.

(b) If at the hearing the judge determines that the prisoner is a material and necessary witness in the requesting state, the judge must order that the prisoner attend in the court where the prosecution or investigation is pending, upon such terms and conditions as the judge prescribes, including among other things, provision for the return of the prisoner at the conclusion of his testimony, proper safeguard for his custody, and proper financial reimbursement or other payment, including payment in advance, by the demanding jurisdiction for all expenses incurred in the production and return of the prisoner.

(c) The Attorney General may, as agent for the State of North Carolina, enter into such agreements with the demanding jurisdiction as necessary to ensure proper compliance with the order of the court."

Sec. 63. G.S. 15A-957 reads as rewritten:

" § 15A-957. *Motion for change of venue.*--If, upon motion of the defendant, the court determines that there exists in the county in which the prosecution is pending so great a prejudice against the defendant that he cannot obtain a fair and impartial trial, the court must either:

(1) Transfer the proceeding to another county in the judicial prosecutorial district as defined in G.S. 7A-60 ~~district~~ or to another county in an adjoining judicial district prosecutorial district as defined in G.S. 7A-60, or

(2) Order a special venire under the terms of G.S. 15A-958.

The procedure for change of venue is in accordance with the provisions of Article 3 of this Chapter, Venue."

Sec. 64. G.S. 15A-1011(c) reads as rewritten:

"(c) Upon entry of a plea of guilty or no contest or after conviction on a plea of not guilty, the defendant may request permission to enter a plea of guilty or no contest as to other crimes with which he is charged in the same or another judicial district prosecutorial district as

defined in G.S. 7A-60. A defendant may not enter any plea to crimes charged in another ~~judicial district~~ prosecutorial district as defined in G.S. 7A-60 unless the district attorney of that district consents in writing to the entry of such plea. The prosecutor or his representative may appear in person or by filing an affidavit as to the nature of the evidence gathered as to these other crimes. Entry of a plea under this subsection constitutes a waiver of venue. A superior court is granted jurisdiction to accept the plea, upon an appropriate indictment or information, even though the case may otherwise be within the exclusive original jurisdiction of the district court. A district court may accept pleas under this section only in cases within the original jurisdiction of the district court."

Sec. 65. G.S. 15A-1054 reads as rewritten:

"§ 15A-1054. *Charge reductions or sentence concessions in consideration of truthful testimony.*--(a) Whether or not a grant of immunity is conferred under this Article, a prosecutor, when the interest of justice requires, may exercise his discretion not to try any suspect for offenses believed to have been committed within the ~~judicial district~~ prosecutorial district as defined in G.S. 7A-60, to agree to charge reductions, or to agree to recommend sentence concessions, upon the understanding or agreement that the suspect will provide truthful testimony in one or more criminal proceedings.

(b) Recommendations as to sentence concessions must be made to the trial judge by the prosecutor in accordance with the provisions of Article 58 of this Chapter, Procedure Relating to Guilty Pleas in Superior Court.

(c) When a prosecutor enters into any arrangement authorized by this section, written notice fully disclosing the terms of the arrangement must be provided to defense counsel, or to the defendant if not represented by counsel, against whom such testimony is to be offered, a reasonable time prior to any proceeding in which the person with whom the arrangement is made is expected to testify. Upon motion of the defendant or his counsel on grounds of surprise or for other good cause or when the interests of justice require, the court must grant a recess."

Sec. 66. G.S. 15A-1334 reads as rewritten:

"§ 15A-1334. *The sentencing hearing.*--(a) Time of Hearing. -- Unless the defendant waives the hearing, the court must hold a hearing on the sentence. Either the defendant or the State may, upon a showing which the judge determines to be good cause, obtain a continuance of the sentencing hearing.

(b) Proceeding at Hearing. -- The defendant at the hearing may make a statement in his own behalf. The defendant and prosecutor may present witnesses and arguments on facts relevant to the

sentencing decision and may cross-examine the other party's witnesses. No person other than the defendant, his counsel, the prosecutor, and one making a presentence report may comment to the court on sentencing unless called as a witness by the defendant, the prosecutor, or the court. Formal rules of evidence do not apply at the hearing.

(c) Sentencing Hearing in Other District. -- The judge who orders a presentence report may, in his discretion, direct that the sentencing hearing be held before him in another county or another ~~judicial district~~ district court district as defined in G.S. 7A-133 or superior court district or set of districts as defined in G.S. 7A-41.1, as the case may be, during or after the session in which the defendant was convicted. If sentence is imposed in a county other than the one where the defendant was convicted, the clerk of the county where sentence is imposed must forward the records of the sentencing proceeding to the clerk of the county of conviction.

(d) Sentencing in Capital Cases. -- Sentencing in capital cases is governed by Article 100 of this Chapter.

(e) Procedure Applicable when Certain Prior Convictions May Be Used. -- The procedure in G.S. 15A-980 governs if the State seeks to use a prior conviction in a sentencing hearing."

Sec. 67. G.S. 15A-1344(a) reads as rewritten:

"(a) Authority to Alter or Revoke. -- Except as provided in subsection (b), probation may be reduced, terminated, continued, extended, modified, or revoked by any judge entitled to sit in the court which imposed probation and who is resident or presiding in the ~~district~~ district court district as defined in G.S. 7A-133 or superior court district or set of districts as defined in G.S. 7A-41.1, as the case may be, where the sentence of probation was imposed, where the probationer violates probation, or where the probationer resides. The district attorney of the ~~district~~ prosecutorial district as defined in G.S. 7A-60 in which probation was imposed must be given reasonable notice of any hearing to affect probation substantially."

Sec. 68. G.S. 15A-1344(c) reads as rewritten:

"(c) Procedure on Altering or Revoking Probation; Returning Probationer to District Where Sentenced. -- When a judge reduces, terminates, extends, modifies, or revokes probation outside the county where the judgment was entered, the clerk must send a copy of the order and any other records to the court where probation was originally imposed. A court on its own motion may return the probationer to the ~~district~~ district court district as defined in G.S. 7A-133 or superior court district or set of districts as defined in G.S. 7A-41.1, as the case may be, where probation was imposed or where the probationer resides for reduction, termination, continuation,

extension, modification, or revocation of probation. In cases where the probation is revoked in a county other than the county of original conviction the clerk in that county must issue a commitment order and must file the order revoking probation and the commitment order, which will constitute sufficient permanent record of the proceeding in that court, and must send a certified copy of the order revoking probation, the commitment order, and all other records pertaining thereto to the county of original conviction to be filed with the original records. The clerk in the county other than the county of original conviction must issue the formal commitment to the North Carolina Department of Correction."

Sec. 69. G.S. 15A-1345 reads as rewritten:

"§ 15A-1345. *Arrest and hearing on probation violation.*--(a) Arrest for Violation of Probation. -- A probationer is subject to arrest for violation of conditions of probation by a law-enforcement officer or probation officer upon either an order for arrest issued by the court or upon the written request of a probation officer, accompanied by a written statement signed by the probation officer that the probationer has violated specified conditions of his probation. However, a probation revocation hearing under subsection (e) may be held without first arresting the probationer.

(b) Bail Following Arrest for Probation Violation. -- If at any time during the period of probation the probationer is arrested for a violation of any of the conditions of probation, he must be taken without unnecessary delay before a judicial official to have conditions of release pending a revocation hearing set in the same manner as provided in G.S. 15A-534.

(c) When Preliminary Hearing on Probation Violation Required. -- Unless the hearing required by subsection (e) is first held or the probationer waives the hearing, a preliminary hearing on probation violation must be held within seven working days of an arrest of a probationer to determine whether there is probable cause to believe that he violated a condition of probation. Otherwise, the probationer must be released seven working days after his arrest to continue on probation pending a hearing.

(d) Procedure for Preliminary Hearing on Probation Violation. --The preliminary hearing on probation violation must be conducted by a judge who is sitting in the county where the probationer was arrested or where the alleged violation occurred. If no judge is sitting in the county where the hearing would otherwise be held, the hearing may be held anywhere in the ~~judicial district~~ district court district as defined in G.S. 7A-133 or superior court district or set of districts as defined in G.S. 7A-41.1, as the case may be. The State must give the probationer notice of the hearing and its purpose, including a

statement of the violations alleged. At the hearing the probationer may appear and speak in his own behalf, may present relevant information, and may, on request, personally question adverse informants unless the court finds good cause for not allowing confrontation. Formal rules of evidence do not apply at the hearing. If probable cause is found or if the probable cause hearing is waived, the probationer may be held for a revocation hearing, subject to release under the provisions of subsection (b). If the hearing is held and probable cause is not found, the probationer must be released to continue on probation.

(e) Revocation Hearing. -- Before revoking or extending probation, the court must, unless the probationer waives the hearing, hold a hearing to determine whether to revoke or extend probation and must make findings to support the decision and a summary record of the proceedings. The State must give the probationer notice of the hearing and its purpose, including a statement of the violations alleged. The notice, unless waived by the probationer, must be given at least 24 hours before the hearing. At the hearing, evidence against the probationer must be disclosed to him, and the probationer may appear and speak in his own behalf, may present relevant information, and may confront and cross-examine adverse witnesses unless the court finds good cause for not allowing confrontation. The probationer is entitled to be represented by counsel at the hearing and, if indigent, to have counsel appointed. Formal rules of evidence do not apply at the hearing, but the record or recollection of evidence or testimony introduced at the preliminary hearing on probation violation are inadmissible as evidence at the revocation hearing. When the violation alleged is the nonpayment of fine or costs, the issues and procedures at the hearing include those specified in G.S. 15A-1364 for response to nonpayment of fine."

Sec. 70. G.S. 15A-1383 reads as rewritten:

"§ 15A-1383. Plans for implementation of Article; punishment for failure to comply; modification of plan.--(a) On January 1, 1982, the or on the first day of the month following the date on which any superior court district becomes effective under G.S. 7A-41, each senior resident superior court judge of each judicial district shall file a plan with the Director of the State Bureau of Investigation for the implementation of the provisions of this Article. The plan shall be entered as an order of the court on that date. In drawing up the plan, the senior resident superior court judge may consult with the chief district judge, the district attorney, the clerks of superior court within the district, the Department of Correction, the sheriffs and chiefs of police within the district clerk of superior court, the sheriff and the chief of police for any district court or prosecutorial district or county

or municipality which includes or is included in his district or set of districts as defined in G.S. 7A-41.1(a), with the Department of Correction, and with other persons as he may deem appropriate. Upon the request of the senior resident superior court judge, the State Bureau of Investigation shall provide such technical assistance in the preparation of the plan as the judge desires.

(b) A person who is charged by the plan with a duty to make reports who fails to make such reports as required by the plan is punishable for civil contempt under Article 2 of Chapter 5A of the General Statutes.

(c) When the senior resident superior court judge modifies, alters or amends a plan under this Article, the order making such modification, alteration or amendment shall be filed with the Director of the State Bureau of Investigation within 10 days of its entry.

(d) Plans prepared under this Article are not 'rules' within the meaning of Chapter 150B of the General Statutes or within the meaning of Article 6C of Chapter 120 of the General Statutes."

Sec. 71. G.S. 15A-1413 reads as rewritten:

" § 15A-1413. *Trial judges empowered to act.*--(a) A motion for appropriate relief made pursuant to G.S. 15A-1415 may be heard and determined in the trial division by any judge who is empowered to act in criminal matters in the ~~judicial district and trial division~~ district court district as defined in G.S. 7A-133 or superior court district or set of districts as defined in G.S. 7A-41.1, as the case may be, in which the judgment was entered.

(b) The judge who presided at the trial is empowered to act upon a motion for appropriate relief made pursuant to G.S. 15A-1414. He may act even though he is in another district or even though his commission has expired.

(c) When a motion for appropriate relief may be made before a judge who did not hear the case, he may, if it is practicable to do so, refer all or a part of the matter for decision to the judge who heard the case."

Sec. 72. G.S. 15A-1431 reads as rewritten:

" § 15A-1431. *Appeals by defendants from magistrate and district court judge; trial de novo.*--(a) A defendant convicted before a magistrate may appeal for trial de novo before a district court judge without a jury.

(b) A defendant convicted in the district court before the judge may appeal to the superior court for trial de novo with a jury as provided by law. Upon the docketing in the superior court of an appeal from a judgment imposed pursuant to a plea arrangement between the State and the defendant, the jurisdiction of the superior court over any misdemeanor dismissed, reduced, or modified pursuant to that plea

arrangement shall be the same as was had by the district court prior to the plea arrangement.

(c) Within 10 days of entry of judgment, notice of appeal may be given orally in open court or in writing to the clerk. Within 10 days of entry of judgment, the defendant may withdraw his appeal and comply with the judgment. Upon expiration of the 10-day period, if an appeal has been entered and not withdrawn, the clerk must transfer the case to the appropriate court.

(d) A defendant convicted by a magistrate or district court judge is not barred from appeal because of compliance with the judgment, but notice of appeal after compliance must be given by the defendant in person to the magistrate or judge who heard the case or, if he is not available, notice must be given:

- (1) Before a magistrate in the county, in the case of appeals from the magistrate; or
- (2) During an open session of district court in the judicial district district court district as defined in G.S. 7A-133, in the case of appeals from district court.

The magistrate or district court judge must review the case and fix conditions of pretrial release as appropriate. If a defendant has paid a fine or costs and then appeals, the amount paid must be remitted to the defendant, but the judge, clerk or magistrate to whom notice of appeal is given may order the remission delayed pending the determination of the appeal.

(e) Any order of pretrial release remains in effect pending appeal by the defendant unless the judge modifies the order.

(f) Appeal pursuant to this section stays the execution of portions of the judgment relating to fine and costs. Appeal stays portions of the judgment relating to confinement when the defendant has complied with conditions of pretrial release. If the defendant cannot comply with conditions of pretrial release, the judge may order confinement in a local confinement facility pending the trial *de novo* in superior court.

(g) The defendant may withdraw his appeal at any time prior to calendaring of the case for trial *de novo*. The case is then automatically remanded to the court from which the appeal was taken, for execution of the judgment."

Sec. 73. G.S. 19-13 reads as rewritten:

"§ 19-13. *Commencement of civil proceeding.*--(a) Whenever the district attorney for any judicial-prosecutorial district has reasonable cause to believe that any person is engaged in selling, distributing or disseminating in any manner harmful material to minors or may become engaged in selling, distributing or disseminating in any manner harmful material to minors, the district attorney for the judicial-prosecutorial district in which such material is so offered for

sale shall institute an action in the district court for that district for adjudication of the question of whether such material is harmful to minors.

(b) The provisions of the Rules of Civil Procedure and all existing and future amendments of said Rules shall apply to all proceedings herein, except as otherwise provided in this Article."

Sec. 74. G.S. 19-18 reads as rewritten:

"§ 19-18. *Judgment; limitation to district.*--(a) In the event that the court or jury, as the case may be, fails to find the material attached as an exhibit to the complaint to be harmful to minors, the court shall enter judgment accordingly and shall dismiss the complaint.

(b) In the event that the court or jury, as the case may be, finds the material attached as an exhibit to the complaint to be harmful to minors, the court shall enter judgment to such effect and may, in such judgment or in subsequent orders of enforcement thereof, enter a permanent injunction against any respondent prohibiting him from selling, commercially distributing, or giving away such material to minors or from permitting minors to inspect such material.

(c) No interlocutory order, judgment, or subsequent order of enforcement thereof, entered pursuant to the provisions of this Article, shall be of any force and effect outside the judicial-district court district in which entered; and no such order or judgment shall be *res judicata* in any proceeding in any other judicial district court district."

Sec. 75. G.S. 20-16(d) reads as rewritten:

"(d) Upon suspending the license of any person as hereinbefore in this section authorized, the Division shall immediately notify the licensee in writing and upon his request shall afford him an opportunity for a hearing, unless a preliminary hearing was held before his license was suspended, as early as practical within not to exceed 30 days after receipt of such request. The hearing shall be conducted in the judicial-district district court district as defined in G.S. 7A-133 wherein the licensee resides. Hearings shall be rotated among all the counties within the judicial that district if the judicial district contains more than one county unless the Division and the licensee agree that such hearing may be held in some other judicial district, and such notice shall contain the provisions of this section printed thereon. Upon such hearing the duly authorized agents of the Division may administer oaths and may issue subpoenas for the attendance of witnesses and the production of relevant books and papers and may require a reexamination of the licensee. Upon such hearing the Division shall either rescind its order of suspension, or good cause appearing therefor, may extend the suspension of such license. Provided further upon such hearing, preliminary or otherwise, involving subsections (a)(1) through (a)(10a) of this

section, the Division may for good cause appearing in its discretion substitute a period of probation not to exceed one year for the suspension or for any unexpired period of suspension. Probation shall mean any written agreement between the suspended driver and a duly authorized representative of the Division and such period of probation shall not exceed one year, and any violation of the probation agreement during the probation period shall result in a suspension for the unexpired remainder of the suspension period. The authorized agents of the Division shall have the same powers in connection with a preliminary hearing prior to suspension as this subsection provided in connection with hearings held after suspension."

Sec. 76. G.S. 20-16.2(e) reads as rewritten:

"(e) Right to Hearing in Superior Court. -- If the revocation is sustained after the hearing, the person whose license has been revoked has the right to file a petition in the superior court for a hearing *de novo* upon the issues listed in subsection (d), in the same manner and under the same conditions as provided in G.S. 20-25 except that the *de novo* hearing is conducted in the judicial district superior court district or set of districts as defined in G.S. 7A-41.1 where the charge was made."

Sec. 77. G.S. 20-16.2(e1) reads as rewritten:

"(e1) Limited Driving Privilege after Six Months in Certain Instances. -- A person whose driver's license has been revoked under this section may apply for and a judge authorized to do so by this subsection may issue a limited driving privilege if:

- (1) At the time of the refusal he held either a valid driver's license or a license that had been expired for less than one year;
- (2) At the time of the refusal, he had not within the preceding seven years been convicted of an offense involving impaired driving;
- (3) At the time of the refusal, he had not in the preceding seven years willfully refused to submit to a chemical analysis under this section;
- (4) The implied-consent offense charged did not involve death or critical injury to another person;
- (5) The underlying charge for which the defendant was requested to submit to a chemical analysis has been finally disposed of:
 - a. Other than by conviction; or
 - b. By a conviction of impaired driving under G.S. 20-138.1, at a punishment level authorizing issuance of a limited driving privilege under G.S. 20-179.3(b), and he has complied with at least one of the mandatory

- conditions of probation listed for the punishment level under which he was sentenced;
- (6) Subsequent to the refusal he has had no unresolved pending charges for or additional convictions of an offense involving impaired driving; and
 - (7) His license has been revoked for at least six months for the refusal.

Except as modified in this subsection, the provisions of G.S. 20-179.3 relating to the procedure for application and conduct of the hearing and the restrictions required or authorized to be included in the limited driving privilege apply to applications under this subsection. If the case was finally disposed of in the district court, the hearing must be conducted in the ~~district~~ district court district as defined in G.S. 7A-133 in which the refusal occurred by a district court judge. If the case was finally disposed of in the superior court, the hearing must be conducted in the ~~district~~ superior court district or set of districts as defined in G.S. 7A-41.1 in which the refusal occurred by a superior court judge. A limited driving privilege issued under this section authorizes a person to drive if his license is revoked solely under this section or solely under this section and G.S. 20-17(2). If the person's license is revoked for any other reason, the limited driving privilege is invalid."

Sec. 78. G.S. 20-179.3(d) reads as rewritten:

"(d) Application for and Scheduling of Subsequent Hearing. -- The application for a limited driving privilege made at any time after the day of sentencing must be filed with the clerk in duplicate, and no hearing scheduled may be held until a reasonable time after the clerk files a copy of the application with the district attorney's office. The hearing must be scheduled before:

- (1) The presiding judge at the applicant's trial if that judge is assigned to a court in the ~~judicial district~~ district court district as defined in G.S. 7A-133 or superior court district or set of districts as defined in G.S. 7A-41.1, as the case may be, in which the conviction for impaired driving was imposed.
- (2) The senior regular resident superior court judge of the ~~district~~ superior court district or set of districts as defined in G.S. 7A-41.1 in which the conviction for impaired driving was imposed, if the presiding judge is not available within the district and the conviction was imposed in superior court.
- (3) The chief district court judge of the ~~district~~ district court district as defined in G.S. 7A-133 in which the conviction for impaired driving was imposed, if the presiding judge is

not available within the district and the conviction was imposed in district court.

If the applicant was convicted of an offense in another jurisdiction, the hearing must be scheduled before the chief district court judge of the ~~district~~ district court district as defined in G.S. 7A-133 in which he resides. G.S. 20-16.2(e1) governs the judge before whom a hearing is scheduled if the revocation was under G.S. 20-16.2(d). The hearing may be scheduled in any county within the ~~judicial-district~~ district court district as defined in G.S. 7A-133 or superior court district or set of districts as defined in G.S. 7A-41.1, as the case may be."

Sec. 79. G.S. 20-16.4 reads as rewritten:

"§ 20-16.4. *Revocation for failure to complete Alcohol and Drug Education Traffic School.*--(a) Division Must Revoke upon Notice of Willful Failure. -- Upon receipt of notice from an Alcohol and Drug Education Traffic School that a person assigned to the school as a court-imposed condition of probation has willfully failed to complete the program of instruction at the school successfully, the Division must revoke the person's driver's license for 12 months. A limited driving privilege does not authorize a person to drive while his license is revoked pursuant to the provisions of this section.

(b) Right of Notification and Hearing. -- Upon receipt of a properly executed notice of failure from the school, the Division must expeditiously notify the person that his license is revoked for 12 months, effective on the tenth calendar day after the mailing of the revocation order unless, before the effective date of the order, the person requests in writing a hearing before the Division. If the person properly requests a hearing, he retains his license, unless it is revoked under some other provision of law, until the hearing is held, the person withdraws the request, or he fails to appear at a scheduled hearing. The hearing officer may subpoena any witnesses or documents he deems necessary. The person may request the hearing officer to subpoena the appropriate school personnel to appear in person at the hearing if he makes the request in writing at least three days before the hearing. The person may subpoena any other witness he deems necessary, and the provisions of G.S. 1A-1, Rule 45, apply to the issuance and service of all subpoenas issued under the authority of this section.

(c) Hearing Procedures; Issues. -- The hearing officer is authorized to administer oaths to witnesses appearing at the hearing. The hearing must be conducted in the county where the school is located, and must be limited to consideration of whether:

- (1) The person was validly assigned to the school by a court;
- (2) The person failed to complete the course of instruction successfully; and

(3) The failure was willful.

If the Division finds that the conditions specified in this subsection are met, it must order the revocation sustained. If the Division finds that any of the conditions is not met, it must rescind the revocation. If the revocation is sustained, the person must surrender his license immediately upon notification by the Division. The person may file a petition in superior court for a *de novo* review of the issues listed in this section, in the same manner and under the same conditions as provided in G.S. 20-25, except that the hearing must be held in the judicial district superior court district or set of districts as defined in G.S. 7A-41.1 in which the school is located.

(d) When Failure Not Willful. -- A failure to complete the course of instruction successfully is not willful if it is based solely on a failure:

- (1) To pay the prescribed fee and the person was unable to pay after making reasonable efforts to secure funds to pay it; or
- (2) To attend classes and the person was unable to attend because of reasons over which he had no control other than alcoholism or drug abuse."

Sec. 80. G.S. 20-16.5(g) reads as rewritten:

"(g) Hearing before Magistrate or Judge if Person Contests Validity of Revocation. -- A person whose license is revoked under this section may request in writing a hearing to contest the validity of the revocation. The request may be made at the time of the person's initial appearance, or within 10 days of the effective date of the revocation to the clerk or a magistrate designated by the clerk, and may specifically request that the hearing be conducted by a district court judge. The Administrative Office of the Courts must develop a hearing request form for any person requesting a hearing. Unless a district court judge is requested, the hearing must be conducted within the county by a magistrate assigned by the chief district judge to conduct such hearings. If the person requests that a district court judge hold the hearing, the hearing must be conducted within the judicial district district court district as defined in G.S. 7A-133 by a district court judge assigned to conduct such hearings. The revocation remains in effect pending the hearing, but the hearing must be held within three working days following the request if the hearing is before a magistrate or within five working days if the hearing is before a district court judge. The request for the hearing must specify the grounds upon which the validity of the revocation is challenged and the hearing must be limited to the grounds specified in the request. A witness may submit his evidence by affidavit unless he is subpoenaed to appear. Any person who appears and testifies is subject to questioning by the judicial official conducting the hearing, and the

judicial official may adjourn the hearing to seek additional evidence if he is not satisfied with the accuracy or completeness of evidence. The person contesting the validity of the revocation may, but is not required to, testify in his own behalf. Unless contested by the person requesting the hearing, the judicial official may accept as true any matter stated in the revocation report. If any relevant condition under subsection (b) is contested, the judicial official must find by the greater weight of the evidence that the condition was met in order to sustain the revocation. At the conclusion of the hearing the judicial official must enter an order sustaining or rescinding the revocation. The judicial official's findings are without prejudice to the person contesting the revocation and to any other potential party as to any other proceedings, civil or criminal, that may involve facts bearing upon the conditions in subsection (b) considered by the judicial official. The decision of the judicial official is final and may not be appealed in the General Court of Justice. If the hearing is not held and completed within three working days of the written request for a hearing before a magistrate or within five working days of the written request for a hearing before a district court judge, the judicial official must enter an order rescinding the revocation, unless the person contesting the revocation contributed to the delay in completing the hearing. If the person requesting the hearing fails to appear at the hearing or any rescheduling thereof after having been properly notified, he forfeits his right to a hearing."

Sec. 81. G.S. 20-81(3) reads as rewritten:

"(3) Judicial. -- Official plates issued to the judiciary shall be issued as follows:

- a. Appellate division. -- Official plates that shall be issued upon request to the Chief Justice and Associate Justices of the Supreme Court of North Carolina and the Chief Judge and Associate Judges of North Carolina Court of Appeals shall bear the letter 'J' followed by numerical designation from 1 through 19. The Chief Justice upon request shall be issued the plate bearing number 1 and the remaining plates shall first be issued upon request to the Associate Justices on the basis of seniority. The Chief Judge shall be issued upon request the next such judicial plate and the remaining plates shall be issued upon request to the Associate Judges on the basis of seniority. Retired members of the Supreme Court and the Court of Appeals shall receive an official plate upon request similar in every respect to the plate issued to the regular justices and judges bearing the numerical designation of his or her position of seniority at the time of retirement except that the numerical designation shall be

followed with the letter 'X'. Official plate J-20 may be issued upon request to the Director of the Administrative Office of the Courts.

- b. Superior court. -- Official plates shall be issued to the various senior resident ~~judges of the superior court~~ superior court judges upon request and shall bear the letter 'J' followed by a numerical designation which for a district as defined in G.S. 7A-41.1(a) shall be equal to the sum of the numerical designation of their respective judicial districts plus 20. Where there is more than one regular resident superior court judge of the superior court within a for such a district, official plates shall upon request be issued to other resident judges ~~serving within~~ of the district similar to the official plate to be issued upon request to the senior resident superior court judge of the district except the numerical designation on each subsequent plate shall be followed by a hyphen and a letter of the alphabet beginning with the letter 'A', which shall be indicative of the recipient's position as to seniority. The numerical designation for the senior resident superior court judge for a set of districts as defined in G.S. 7A-41.1(a) shall be equal to the sum of 20 plus the numerical designation which the districts in the set have in common and shall be followed by no letter, and the numerical designation for each other regular resident superior court judge of the set of districts shall have the same numerical designation as that of the senior resident superior court judge and shall be followed by a hyphen and a letter of the alphabet beginning with the letter 'A' which shall indicate the recipient's position as to seniority among all of the regular resident superior court judges of the set of districts and shall not necessarily correspond with the letter designation of the superior court district established under G.S. 7A-41 for which he is a resident judge, provided that in the set of districts 7B and 7C, the senior resident superior court judge for that set shall be issued on request an official plate bearing the designation 27BC following the letter 'J', and all other resident superior court judges of the set shall be issued on request an official plate bearing that designation followed by a hyphen and a letter of the alphabet beginning with the letter 'A' indicating that judge's position as to seniority among all the regular resident superior court judges of that set. Special judges and emergency judges of the superior court shall be issued an official plate bearing the letter 'J' with a numerical designation as designated by

the Administrative Office of the Courts with the approval of the Chief Justice of the Supreme Court of North Carolina. Retired judges shall be issued a similar plate except that the numerical designation shall be followed by the letter 'X'.

- c. North Carolina district court judges. -- An official plate shall be issued upon request to each chief judge of the district courts of North Carolina which shall bear the letter 'J' followed by a numerical designation equal to the sum of the numerical designation of their respective judicial district court districts plus 100 and all other judges of the district courts serving within the same judicial district court district shall, upon request, be issued an official plate bearing the same letter and numerical designation as appears on the official plate issued to the chief district judge of the judicial district court district except that on each subsequent official plate issued within a district, the numerical designation shall be followed by a letter of the alphabet beginning with the letter 'A' which shall be indicative of the recipient's position as to seniority. Retired judges shall be issued a similar plate except that the numerical designation shall be followed by the letter 'X'.
- c1. Clerks of Superior Court. Official plates shall be issued upon request to the various clerks of superior court which plate shall bear the words 'Clerk Superior Court', followed by the numerical designation of their respective counties in alphabetical order, beginning with 100 and preceded by the letter 'C'.
- d. District attorneys. -- Official plates shall be issued upon request to the various district attorneys which plates shall bear the letters 'DA', followed by a numerical designation indicative of their judicial prosecutorial district.
- e. United States judges. -- Official plates shall be issued upon request to Justices of the United States Supreme Court, Judges of the United States Circuit Court of Appeals and to the District Judges of the United States District Courts residing in North Carolina and shall bear the words 'U.S. Judge', followed by a numerical designation beginning with the number "1" which shall be indicative of the judge's seniority position as to the date he began continuous service as a United States Judge as designated by the Secretary of State. Retired judges and judges who have taken senior status shall be issued similar plates except that the numerical designation shall be based upon the date of such retirement or assumption of senior status and shall follow the numerical

designation of active justices and judges.

- f. United States attorneys. -- Official plates shall be issued upon request to the United States Attorneys, which plates shall bear the letters, 'U.S. Attorney', followed by a numerical designation indicative of their district, with 1 being the Eastern District, 2 being the Middle District, and 3 being the Western District.
- g. United States marshals. -- Official plates shall be issued upon request to the United States Marshals, which plates shall bear the letters, 'U.S. Marshal', followed by a numerical designation indicative of their district, with 1 being the Eastern District, 2 being the Middle District, and 3 being the Western District."

Sec. 82. G.S. 20-179.4 reads as rewritten:

" § 20-179.4. *Community service alternative punishment; responsibilities of the Department of Crime Control and Public Safety; fee.*--(a) The Department of Crime Control and Public Safety must conduct a community service alternative punishment program for persons sentenced under G.S. 20-179(i), (j) or (k).

(b) The Secretary of Crime Control and Public Safety must assign at least one coordinator to each ~~judicial district~~ district court district as defined in G.S. 7A-133 to assure and report to the court the person's compliance with the community service sentence. The appointment of each coordinator is subject to the approval of the chief district court judge. Each county must provide office space in the courthouse or other convenient place, necessary equipment, and secretarial service for the use of each coordinator assigned to that county.

(c) A fee of one hundred dollars (\$100.00) must be paid by all persons serving a community service sentence. That fee must be paid to the clerk of court in the county in which the person is convicted. The fee must be paid in full within two weeks unless the court, upon a showing of hardship by the person, allows him additional time to pay the fee. The person may not be required to pay the fee before he begins the community service unless the court specifically orders that he do so. If the person is also ordered to attend an Alcohol and Drug Education Traffic School established pursuant to G.S. 20-179.2, the fee for supervision of community service punishment is fifty dollars (\$50.00).

(d) Fees collected under this section must be deposited in the general fund.

(e) The coordinator must report to the court in which the community service was ordered a significant violation of the terms of the probation judgment related to community service. In such cases, the court must conduct a hearing to determine if there is a willful

failure to comply. If the court determines there is a willful failure to pay the prescribed fee or to complete the work as ordered by the coordinator within the applicable time limits, the court must revoke any limited driving privilege issued in the impaired driving case, and in addition may take any further action authorized by Article 82 of General Statutes Chapter 15A for violation of a condition of probation."

Sec. 83. G.S. 35A-1307 reads as rewritten:

"§ 35A-1307. *Spouse of incompetent husband or wife entitled to special proceeding for sale of property.*--Every married person whose husband or wife is adjudged incompetent and is confined in a mental hospital or other institution in this State, and who was living with the incompetent spouse at the time of commitment shall, if he or she be in needy circumstances, have the right to bring a special proceeding before the clerk to sell the property of the incompetent spouse, or so much thereof as is deemed expedient, and have the proceeds applied for support: Provided, that said proceeding shall be approved by the judge of the superior court holding the courts of the ~~judicial district~~ superior court district or set of districts as defined in G.S. 7A-41.1 where the said property is situated. When the deed of the commissioner appointed by the court, conveying the lands belonging to the incompetent spouse is executed, probated, and registered, it conveys a good and indefeasible title to the purchaser."

Sec. 84. G.S. 35A-1311 reads as rewritten:

"§ 35A-1311. *General law applicable; approved by judge.*--The proceedings herein provided for shall be conducted under and shall be governed by laws pertaining to special proceedings, and it shall be necessary for any sale or mortgage or other conveyance herein authorized to be approved by ~~the resident judge or the judge holding the courts in the judicial district~~ a superior court judge who has jurisdiction pursuant to G.S. 7A-47.1 or G.S. 7A-48 in the district or set of districts as defined in G.S. 7A-41.1 wherein the property or any part of same is located.

Sec. 85. G.S. 36A-13 reads as rewritten:

"§ 36A-13. *Removal of fiduciary funds from this State.*--Unless the creating instrument contains an express prohibition or provides a method of removal, when any personal property in this State is vested in a resident trustee, guardian, or other fiduciary, the clerk of superior court of the county in which the fiduciary resides may, on petition filed for that purpose by the fiduciary, beneficiary, ward, or other interested person, order the said fiduciary or his personal representative to pay, transfer, and deliver the said property or any part of it, to a nonresident fiduciary appointed by a court of record in another state; provided the clerk of superior court finds that such

removal is in accord with the express or implied intention of the settlor, would aid the efficient administration of the trust, or is otherwise in the best interests of the beneficiaries, and further provided that,

(1) No such order of any clerk of superior court shall be valid and in force until approved by ~~the resident judge of said judicial district, or the judge holding court in such district~~ a superior court judge who has jurisdiction pursuant to G.S. 7A-47.1 or G.S. 7A-48 in that county; and

(2) No such order shall be made, in the case of a petition, until after a hearing, as to which notice of the application shall have been given to all persons interested in such property as required in other special proceedings; and

(3) Such order may be conditioned on the appointment of a fiduciary in the state to which the property is to be removed and shall be subject to such other terms and conditions as the clerk of superior court deems appropriate for protection of the property and interests of the beneficiaries, provided any North Carolina beneficiary may require that a bond be posted prior to such removal in an amount sufficient to protect his interest, the premium for which shall be charged against his interest."

Sec. 86. G.S. 50-30 reads as rewritten:

" § 50-30. *Findings; policy; and purpose.*--(a) Findings. -- The General Assembly makes the following findings:

- (1) There is a strong public interest in providing fair, efficient, and swift judicial processes for establishing and enforcing child support obligations. Children are entitled to support from their parents, and court assistance is often required for the establishment and enforcement of parental support obligations. Children who do not receive support from their parents often become financially dependent on the State.
- (2) The State shall have laws that meet the federal requirements on expedited processes for obtaining and enforcing child support orders for purposes of federal reimbursement under Title IV-D of the Social Security Act, 42 U.S.C. § 66(a)(2). The Secretary of the Department of Health and Human Services may waive the expedited process requirement with respect to one or more ~~judicial districts~~ district court district as defined in G.S. 7A-133 on the basis of the effectiveness and timeliness of support order issuance and enforcement within the district.
- (3) The State has a strong financial interest in complying with the expedited process requirement, and other requirements, of Title IV-D of the Social Security Act, but the State would

incur substantial expense in creating statewide an expedited child support process as defined by federal law.

- (4) The State's judicial system is largely capable of processing child support cases in a timely and efficient manner and has a strong commitment to an expeditious system.
- (5) The substantial expense the State would incur in creating a new system for obtaining and enforcing child support orders would be reduced and better spent by improving the present system.

(b) Purpose and Policy. -- It is the policy of this State to ensure, to the maximum extent possible, that child support obligations are established and enforced fairly, efficiently, and swiftly through the judicial system by means that make the best use of the State's resources. It is the purpose of this Article to facilitate this policy. The Administrative Office of the Courts and judicial officials in each ~~judicial district~~ district court district as defined in G.S. 7A-133 shall make a diligent effort to ensure that child support cases, from the time of filing to the time of disposition, are handled fairly, efficiently, and swiftly. The Administrative Office of the Courts and the Department of Human Resources shall work together to improve procedures for the handling of child support cases in which the State or county has an interest, including all cases that qualify in any respect for federal reimbursement under Title IV-D of the Social Security Act."

Sec. 87. G.S. 50-33 reads as rewritten:

" § 50-33. *Waiver of expedited process requirement.*--(a) DHR to Seek Waiver. -- The Department of Human Resources, with the assistance of the Administrative Office of the Courts, shall vigorously pursue application to the Secretary of the Department of Health and Human Services for waivers of the federal expedited process requirement.

(b) Districts That Do Not Qualify. -- In any ~~judicial district~~ district court district as defined in G.S. 7A-133 that does not qualify for a waiver of the federal expedited process requirement, an expedited process shall be established as provided in G.S. 50-34."

Sec. 88. G.S. 50-34 reads as rewritten:

" § 50-34. *Establishment of an expedited process.*--(a) Districts Required to Have Expedited Process. -- In any ~~judicial district~~ district court district as defined in G.S. 7A-133 that is required by G.S. 50-33(b) to establish an expedited child support process, the Director of the Administrative Office of the Courts shall notify the chief district court judge and the clerk or clerks of superior court in the district in writing of the requirement. The Director of the Administrative Office of the Courts, the chief district court judge, and the clerk or clerks of

superior court in the district shall implement an expedited child support process as provided in this section.

(b) Procedure for Establishing Expedited Process. -- When a ~~judicial district~~ district court district as defined in G.S. 7A-133 is required to implement an expedited process, the Director of the Administrative Office of the Courts, the chief district judge, and the clerk of superior court in an affected county shall determine by agreement whether the child support hearing officer or officers for that county shall be one or more clerks or one or more magistrates. If such agreement has not been reached within 15 days after the notice required by subsection (a) when implementation is required, the Director of the Administrative Office of the Courts shall make the decision. If it is decided that the hearing officer or officers for a county shall be magistrates, the chief district judge, the clerk of superior court, and the Director of the Administrative Office of the Courts shall ensure his or their qualification for the position. If it is decided that the hearing officer or officers for a county shall be the clerk or assistant clerks, the clerk of superior court in the county shall designate the person or persons to serve as hearing officer, and the chief district judge, the clerk of superior court, and the Director of the Administrative Office of the Courts shall ensure his or their qualification for the position.

(c) Public To Be Informed. -- When an expedited process is to be implemented in a county or ~~judicial district~~ district court district as defined in G.S. 7A-133, the chief district court judge, the clerk or clerks of superior court in affected counties in the district, and the Administrative Office of the Courts shall take steps to ensure that attorneys, the general public, and parties to pending child support cases in the county or district are informed of the change in procedures and helped to understand and use the new system effectively. (1985 (Reg. Sess., 1986), c. 993, s. 1.)"

Sec. 89. G.S. 50-36 reads as rewritten:

" § 50-36. *Child support procedures in districts with expedited process.*--(a) Scheduling of Cases. -- The procedures of this section shall apply to all child support cases in any ~~judicial district~~ district court district as defined in G.S. 7A-133 or county in which an expedited process has been established. All claims for the establishment or enforcement of a child support obligation, whether the claim is made in a separate action or as part of a divorce or any other action, shall be scheduled for hearing before the child support hearing officer. The initiating party shall send a notice of the date, time, and place of the hearing to all other parties. Service of process shall be made and notices given as provided by G.S. 1A-1, Rules of Civil Procedure.

(b) Place of Hearing. -- The hearing before the child support hearing officer need not take place in a courtroom, but shall be conducted in an appropriate judicial setting.

(c) Hearing Procedures. -- The hearing of a case before a child support officer is without a jury. The rules of evidence applicable in the trial of civil actions generally are observed; however, the hearing officer may require the parties to produce and may consider financial affidavits, State and federal tax returns, and other financial or employment records. Except as otherwise provided in this Article, the hearing officer shall determine the parties' child support rights and obligations and enter an appropriate order based on the evidence and the child support laws of the State. All parties shall be provided with a copy of the order.

(d) Record of Proceeding. -- The record of a proceeding before a child support hearing officer shall consist of the pleadings filed in the child support case, documentation of proper service or notice or waiver, and a copy of the hearing officer's order. No verbatim recording or transcript shall be required or provided at State expense.

(e) Transfer to District Court Judge. -- Upon his own motion or upon motion of any party, the hearing officer shall transfer a case for hearing before a district court judge when the case involves:

- (1) A contested paternity action;
- (2) A custody dispute;
- (3) Contested visitation rights;
- (4) The ownership, possession, or transfer of an interest in property to satisfy a child support obligation; or
- (5) Other complex issues.

Upon ordering such a transfer, except in cases of contested paternity, the hearing officer shall also enter a temporary order that provides for the payment of a money amount or otherwise addresses the child's need for support pending the resolution of the case by the district court judge. The chief district court judge shall establish a procedure for such transferred cases to be given priority for hearing before a district court judge."

Sec. 90. G.S. 53-100 reads as rewritten:

"§ 53-100. *General or special investigations of insolvent banks.*-- Whenever it may appear to be to the public interest, the Governor may cause a general or special investigation to be made of the affairs of any insolvent bank or banks, singly or in related groups, with a view to discovering and establishing the causes of the failure of such bank or banks, and responsibility therefor; and of discovering the dealings with such banks of persons, officers, corporations or municipalities which may have led to such insolvency or which may have endangered or involved any public funds therein. The Governor

may assign counsel who shall prosecute such inquiry before the Commissioner of Banks, or a deputy or commissioner appointed by the Commissioner of Banks for the purpose; and the Commissioner of Banks is hereby empowered to conduct such investigation either in person or through such commissioner or deputy appointed by him. The inquiry shall be held at the office of the Commissioner of Banks in the City of Raleigh or at any other place or places in the State designated by the Commissioner of Banks under such rules and regulations as the State Banking Commission may prescribe and may be adjourned from time to time as convenience may require. Attendance of witnesses and production of papers may be required by subpoena under the hand of the Commissioner or his deputy, and on failure of any witness to appear as subpoenaed or his or her failure to produce any books or papers, as called for by such Commissioner or deputy on subpoena or other order due notice shall be served, at the instance of such Commissioner or deputy, of not less than three days to appear before a judge of the superior court residing in or holding courts within the district wherein such witness is subpoenaed or notified to appear or produce such records or papers, on a day certain and a place named, when such judge shall hear the matter and is authorized to punish such witness as for contempt as he may find on such hearing.

A summary of such investigation shall be made with the findings and recommendations of the Commissioner thereon, and a copy thereof submitted to the Governor, and when the facts shall disclose that any person or persons are criminally responsible, a summary shall be sent to the district attorney of the judicial district prosecutorial district as defined in G.S. 7A-60 likely to have jurisdiction of the matter, whose duty it shall be to have the matter presented to the grand jury for its action. The Governor may employ counsel to assist in the prosecution of any person or persons criminally responsible and fix his compensation and the manner of its payment."

Sec. 91. G.S. 53-121 reads as rewritten:

"§ 53-121. *Examiners may make arrest.*--When it shall appear to any examiner, by examination or otherwise, that any officer, agent, employee, director, stockholder, or owner of any bank has been guilty of a violation of the criminal laws of this State relating to banks, it shall be his duty, and he is hereby empowered to hold and detain such person or persons until a warrant can be procured for his arrest; and for such purposes such examiners shall have and possess all the powers of peace officers of such county, and may make arrest without warrant for past offenses. Upon report of his action to the Commissioner of Banks, said Commissioner may direct the release of the person or persons so held, or, if in his judgment such person or

persons should be prosecuted, the Commissioner of Banks shall cause the district attorney of the ~~judicial~~ prosecutorial district in which such detention is had to be promptly notified, and the action against such person or persons shall be continued a reasonable time to enable the district attorney to be present at the trial."

Sec. 92. G.S. 62-98 reads as rewritten:

" § 62-98. *Peremptory mandamus to enforce order, when no appeal.*--

(a) If no appeal is taken from an order or decision of the Commission within the time prescribed by law and the person to which the order or decision is directed fails to put the same in operation, as therein required, the Commission may apply to ~~the judge regularly assigned to the superior court district which includes Wake County, or to the resident judge of said district at chambers, or to the judge holding the superior court in any judicial district in which the business is conducted~~ a superior court judge who has jurisdiction pursuant to G.S. 7A-47.1 or G.S. 7A-48 in Wake County or in the district or set of districts as defined in G.S. 7A-41.1 in which the business is conducted, upon 10 days' notice, for a peremptory mandamus upon said person for the putting in force of said order or decision; and if said judge shall find that the order of said Commission was valid and within the scope of its powers, he shall issue such peremptory mandamus.

(b) An appeal shall lie to the Court of Appeals in behalf of the Commission, or the defendant, from the refusal or the granting of such peremptory mandamus. The remedy prescribed in this section for enforcement of orders of the Commission is in addition to other remedies prescribed by law."

Sec. 93. G.S. 62-118 reads as rewritten:

" § 62-118. *Abandonment and reduction of service.*--(a) Upon finding that public convenience and necessity are no longer served, or that there is no reasonable probability of a public utility realizing sufficient revenue from a service to meet its expenses, the Commission shall have power, after petition and notice, to authorize by order any public utility to abandon or reduce such service. Upon request from any party having an interest in said utility service, the Commission shall hold a public hearing on such petition, and may on its own motion hold a public hearing on such petition. Provided, however, that abandonment or reduction of service of motor carriers shall not be subject to this section, but shall be authorized only under the provisions of G.S. 62-262(h) and G.S. 62-262.2.

(b) If any person or corporation furnishing water or sewer utility service under this Chapter shall abandon such service without the prior consent of the Commission, and the Commission subsequently finds that such abandonment of service causes an emergency to exist,

the Commission may, unless the owner or operator of the affected system consents, apply in accordance with G.S. 1A-1, Rule 65, ~~to the resident superior court judge of any judicial district where such person or corporation operates, or to any superior court judge holding court in such judicial district~~ a superior court judge who has jurisdiction pursuant to G.S. 7A-47.1 or 7A-48 in the district or set of districts as defined in G.S. 7A-41.1 in which the person or corporation so operates, for an order restricting the lands, facilities and rights-of-way used in furnishing said water or sewer utility service to continued use in furnishing said service during the period of the emergency. An emergency is defined herein as the imminent danger of losing adequate water or sewer utility service or the actual loss thereof. The court shall have jurisdiction to restrict the lands, facilities, and rights-of-way to continued use in furnishing said water or sewer utility service by appropriate order restraining their being placed to other use, or restraining their being prevented from continued use in furnishing said water or sewer utility service, by any person, corporation, or their representatives. The court may, in its discretion, appoint an emergency operator to assure the continued operation of such water or sewer utility service. The court shall have jurisdiction to require that reasonable compensation be paid to the owner, operator or other party entitled thereto for the use of any lands, facilities, and rights-of-way which are so restricted to continued use for furnishing water or sewer utility service during the period of the emergency, and it may require the emergency operator of said lands, facilities, and rights-of-way to post bond in an amount required by the court. In no event shall such compensation, for each month awarded, exceed the net average monthly income of the utility for the 12-month period immediately preceding the order restricting use.

(c) Whenever the Commission, upon complaint or investigation upon its own motion, finds that the facilities being used to furnish water or sewer utility service are inadequate to such an extent that an emergency (as defined in G.S. 62-118(b) above) exists, and further finds that there is no reasonable probability of the owner or operator of such utility obtaining the capital necessary to improve or replace the facilities from sources other than the customers, the Commission shall have the power, after notice and hearing, to authorize by order that such service be abandoned or reduced to those customers who are unwilling or unable to advance their fair share of the capital necessary for such improvements. The amount of capital to be advanced by each customer shall be subject to approval by the Commission, and shall be advanced under such conditions as will enable each customer to retain a proprietary interest in the system to the extent of the capital so advanced. The remedy prescribed in this subsection is in addition to

other remedies prescribed by law."

Sec. 94. G.S. 62-260(d) reads as rewritten:

"(d) The venue for any action commenced to enforce compliance with the terms of this Article against any person purporting to operate under any of the exemptions provided in this section shall be in one of the counties of the ~~judicial district~~ superior court district or set of districts as defined in G.S. 7A-41.1 wherein the violation is alleged to have taken place and such person shall be entitled to trial by jury."

Sec. 95. G.S. 62-279 reads as rewritten:

" § 62-279. *Injunction for unlawful operations.*--If any motor carrier, or any other person or corporation, shall operate a motor vehicle in violation of any provision of this Chapter applicable to motor carriers or motor vehicles generally, except as to the reasonableness of rates or charges and the discriminatory character thereof, or shall operate in violation of any rule, regulation, requirement, or order of the Commission, or of any term or condition of any certificate or permit, the Commission or any holder of a certificate or permit duly issued by the Commission may apply to ~~the resident superior court judge of any judicial district where such motor carrier or other person or corporation so operates, or to any superior court judge holding court in such judicial district~~ a superior court judge who has jurisdiction pursuant to G.S. 7A-47.1 or 7A-48 in the district or set of districts as defined in G.S. 7A-41.1 in which the motor carrier or other person or corporation so operates, for the enforcement of any provisions of this Article, or of any rule, regulation, requirement, order, term or condition of the Commission. Such court shall have jurisdiction to enforce obedience to this Article or to any rule, order, or decision of the Commission by a writ of injunction or other process, mandatory or otherwise, restraining such carrier, person or corporation, or its officers, agents, employees and representatives from further violation of this Article or of any rule, order, regulation, or decision of the Commission."

Sec. 96. G.S. 62-310 reads as rewritten:

" § 62-310. *Public utility violating any provision of Chapter, rules or orders; penalty; enforcement by injunction.*--(a) Any public utility which violates any of the provisions of this Chapter or refuses to conform to or obey any rule, order or regulation of the Commission shall, in addition to the other penalties prescribed in this Chapter forfeit and pay a sum up to one thousand dollars (\$1,000) for each offense, to be recovered in an action to be instituted in the Superior Court of Wake County, in the name of the State of North Carolina on the relation of the Utilities Commission; and each day such public utility continues to

violate any provision of this Chapter or continues to refuse to obey or perform any rule, order or regulation prescribed by the Commission shall be a separate offense.

(b) If any person or corporation shall furnish water or sewer utility service in violation of any provision of this Chapter applicable to water or sewer utilities, except as to the reasonableness of rates or charges and the discriminatory character thereof, or shall provide such service in violation of any rule, regulation or order of the Commission, the Commission shall apply to ~~the resident superior court judge of any judicial district where such person or corporation so operates, or to any superior court judge holding court in such judicial district~~ a superior court judge who has jurisdiction pursuant to G.S. 7A-47.1 or 7A-48 in the district or set of districts as defined in G.S. 7A-41.1 in which the person or corporation so operates, for the enforcement of any provision of this Chapter or of any rule, regulation or order of the Commission. The court shall have jurisdiction to enforce obedience to this Chapter or to any rule, regulation or order of the Commission by appropriate writ, order or other process restraining such person, corporation, or their representatives from further violation of this Chapter or of any rule, regulation or order of the Commission."

Sec. 97. G.S. 75-86 reads as rewritten:

"§ 75-86. *Private actions.*--Any person, corporation, or other business entity which is engaged in the sale of motor fuel for resale or consumption and which is directly or indirectly injured by a violation of this Article may bring an action in the ~~judicial district district court district as defined in G.S. 7A-133 or superior court district or set of districts as defined in G.S. 7A-41.1, as the case may be,~~ where the violation is alleged to have occurred to recover actual damages, exemplary damages, costs and reasonable attorneys' fees. The court shall also grant such equitable relief as is proper, including a declaratory judgment and injunctive relief. Any action under this Article must be brought within one year of the alleged violation."

Sec. 98. G.S. 75D-5(f) reads as rewritten:

"(f) Seizure may be effected by a law enforcement officer authorized to enforce the penal laws of this State prior to the filing of the complaint and without a writ of seizure if the seizure is incident to a lawful arrest, search, or inspection and the officer has probable cause to believe the property is subject to forfeiture and will be lost or destroyed if not seized. Within 24 hours of the time of seizure, the seizure shall be reported by the officer to the district attorney of the ~~judicial district~~ prosecutorial district as defined in G.S. 7A-60 in which the seizure is effected who shall immediately report such seizure to the Attorney General. The Attorney General shall, within 30 days after receiving notice of seizure, examine the evidence

surrounding such seizure, and if he believes reasonable ground exists for forfeiture under this Chapter, shall file a complaint for forfeiture. The complaint shall state, in addition to the information required in subsection (e) of this section, the date and place of seizure."

Sec. 99. G.S. 75D-5(j) reads as rewritten:

"(j) Subject to the requirement of protecting the interest of all innocent parties, the court may, after judgment of forfeiture, make any of the following orders for disposition of the property:

- (1) Destruction of the property or contraband, the possession of, or use of, which is illegal;
- (2) Retention for official use by a law enforcement agency, the State or any political subdivision thereof. When such agency or political subdivision no longer has use for such property, it shall be disposed of by judicial sale as provided in Article 29A of Chapter 1 of the General Statutes of North Carolina, and the proceeds shall be paid to the State Treasurer;
- (3) Transfer to the Department of ~~Archives and History~~ Cultural Resources of property useful for historical or instructional purposes;
- (4) Retention of the property by any innocent party having an interest therein, including the right to restrict sale of an interest to outsiders, such as a right of first refusal, upon payment or approval of a plan for payment into court of the value of any forfeited interest in the property. The plan may include, in the case of an innocent party who holds an interest in the property through an estate by the entirety, or an undivided interest in the property, or a lien on or security interest in the property, the sale of the property by the innocent party under such terms and conditions as may be prescribed by the court and the payment into court of any proceeds from such sale over and above the amount necessary to satisfy the divided ownership value of the innocent party's interest or the lien or security interest. Proceeds paid into the court must then be paid to the State Treasurer;
- (5) Judicial sale of the property as provided in Article 29A of Chapter 1 of the General Statutes of North Carolina, with the proceeds being paid to the State Treasurer;
- (6) Transfer of the property to any innocent party having an interest therein equal to or greater than the value of the property; or
- (7) Any other disposition of the property which is in the interest of substantial justice and adequately protects innocent parties, with any proceeds being paid to the State

Treasurer."

Sec. 100. G.S. 90-14.12 reads as rewritten:

" § 90-14.12. *Injunctions.*--The Board may appear in its own name in the superior courts in an action for injunctive relief to prevent violation of this Article and the superior courts shall have power to grant such injunctions regardless of whether criminal prosecution has been or may be instituted as a result of such violations. Actions under this section shall be commenced in the judicial district superior court district or set of districts as defined in G.S. 7A-41.1 in which the respondent resides or has his principal place of business or in which the alleged acts occurred."

Sec. 101. G.S. 90-121.1 reads as rewritten:

" § 90-121.1. *Board may enjoin illegal practices.*--In view of the fact that the illegal practice of optometry imminently endangers the public health and welfare, and is a public nuisance, the North Carolina State Board of Examiners in Optometry may, if it shall find that any person is violating any of the provisions of this Article, apply to the superior court for a temporary or permanent restraining order or injunction to restrain such person from continuing such illegal practices. If upon such application, it shall appear to the court that such person has violated, or is violating, the provisions of this Article, the court shall issue an order restraining any further violating thereof. All such actions by the Board for injunctive relief shall be governed by the provisions of Article 37 of ~~the Chapter on "Civil Procedure"~~ Chapter 1 of the General Statutes; provided, such injunctive relief may be granted regardless of whether criminal prosecution has been or may be instituted under the provisions of G.S. 90-124. Actions under this section shall be commenced in the judicial district superior court district or set of districts as defined in G.S. 7A-41.1 in which the respondent resides or has his principal place of business."

Sec. 102. G.S. 90-187.13 reads as rewritten:

" § 90-187.13. *Injunctions.*--The Board may appear in its own name in the superior courts in an action for injunctive relief to prevent violation of this Article and the superior courts shall have power to grant such injunctions regardless of whether criminal prosecution has been or may be instituted as a result of such violations. Actions under this section shall be commenced in the judicial district superior court district or set of districts as defined in G.S. 7A-41.1 in which the respondent resides or has his principal place of business or in which the alleged acts occurred."

Sec. 103. G.S. 90-202.13 reads as rewritten:

" § 90-202.13. *Injunctions.*--The Board may appear in its own name in the superior courts in an action for injunctive relief to prevent violation of this Article and the superior courts shall have power to

grant such injunctions regardless of whether criminal prosecution has been or may be instituted as a result of such violations. Actions under this section shall be commenced in the judicial district superior court district or set of districts as defined in G.S. 7A-41.1 in which the respondent resides or has his principal place of business or in which the alleged acts occurred."

Sec. 104. G.S. 90A-66 reads as rewritten:

" § 90A-66. *Violations; penalty; injunction.*--Any person violating any of the provisions of this Article or of the rules and regulations adopted by the Board shall be guilty of a misdemeanor and punishable in the discretion of the court. The Board may appear in its own name in the superior courts in an action for injunctive relief to prevent violation of this Article and the superior courts shall have power to grant such injunctions regardless of whether criminal prosecution has been or may be instituted as a result of such violations. Actions under this section shall be commenced in the judicial district superior court district or set of districts as defined in G.S. 7A-41.1 in which the respondent resides or has his principal place of business or in which the alleged acts occurred."

Sec. 105. G.S. 93D-4 reads as rewritten:

" § 93D-4. *Board may enjoin illegal practices.*--The Board may, if it finds that any person is violating any of the provisions of this Chapter, apply to superior court for a temporary or permanent restraining order or injunction to restrain such persons from continuing such illegal practices. If upon application, it appears to the court that such person has violated or is violating the provisions of this Chapter, the court shall issue an order restraining the sale or fitting of hearing aids or other conduct in violation of this Chapter. All such actions by the Board for injunctive relief shall be governed by the Rules of Civil Procedure and Article 37, Chapter 1 of the General Statutes; provided, that injunctive relief may be granted regardless of whether criminal prosecution has been or may be instituted under the provisions of this Chapter. Actions under this section shall be commenced in the judicial district superior court district or set of districts as defined in G.S. 7A-41.1 in which the respondent resides or has his principal place of business."

Sec. 106. G.S. 95-123 reads as rewritten:

" § 95-123. *Orders.*--If, after investigation, the Commissioner finds that a violation of any of his rules and regulations exists, or that there is a condition in passenger tramway construction, operation, or maintenance which endangers the safety of the public, the Commissioner shall forthwith issue his written order setting forth his findings, the corrective action to be taken, and fixing a reasonable time for compliance therewith. The order shall be sent to the affected

operator by certified mail and shall become final unless the operator contests the order by filing a petition for a contested case under G.S. 150B-23 within 20 days after receiving the order. The Commissioner shall have the power to institute injunctive proceedings in any court of competent jurisdiction of the ~~judicial district~~ district court district as defined in G.S. 7A-133 or superior court district or set of districts as defined in G.S. 7A-41.1, as the case may be, in which the passenger tramway is located for the purpose of restraining the operation of said tramway or for compelling compliance with any lawful order of the Commissioner. Judicial review of a final decision under this section may be obtained under Article 4 of Chapter 150B of the General Statutes."

Sec. 107. G.S. 105-77 reads as rewritten:

"§ 105-77. *Tobacco warehouses.*--(a) Every person, firm, or corporation engaged in the business of operating a warehouse for the sale of leaf tobacco upon commission shall, on or before the first day of July of each year, apply for and obtain from the Secretary of Revenue a State license for the privilege of operating such warehouse for the next ensuing year, and shall pay for such license the following tax:

For a warehouse in which was sold during the preceding year ending the first day of July:

Less than 1,000,000 pounds	\$ 50.00
1,000,000 pounds and less than 2,000,000	75.00
2,000,000 pounds and less than 3,000,000	175.00
3,000,000 pounds and less than 4,000,000	250.00
4,000,000 pounds and less than 5,000,000	400.00
5,000,000 pounds and less than 6,000,000	500.00

For all in excess of 6,000,000 pounds, five hundred dollars (\$500.00) and six cents (6¢) per thousand pounds.

(b) If a new warehouse not in operation the previous year, the person, firm, or corporation operating such warehouse may procure a license by payment of the minimum tax provided in the foregoing schedule, and at the close of the season for sales of tobacco in such warehouse shall furnish the Secretary of Revenue a statement of the number of pounds of tobacco sold in such warehouse for the current year, and shall pay an additional license tax for the current year based on such total volume of sales in accordance with the schedule in this section.

If an old warehouse with new or changed ownership or management, the tax shall be paid according to the schedule in this section, based on the sale during the preceding year, just as if the old ownership or management had continued its operation.

(c) The Commissioner of Agriculture shall certify to the Secretary of Revenue, on or before the first day of July of each year, the name of each person, firm, or corporation operating a tobacco warehouse in each county in the State, together with the number of pounds of leaf tobacco sold by such person, firm, or corporation in each warehouse for the preceding year, ending on the first day of July of the current year.

(d) The Commissioner of Agriculture shall report to the ~~solicitor of any judicial district~~ district attorney of any prosecutorial district in which a tobacco warehouse is located which the owner or operator thereof shall have failed to make a report of the leaf tobacco sold in such warehouse during the preceding year, ending the first day of July of the current year, and such ~~solicitor~~ district attorney shall prosecute any such person, firm or corporation under the provisions of this section.

(e) The tax levied in this section shall be based on official reports of each tobacco warehouse to the State Department of Agriculture showing amount of sales for each warehouse for the previous year.

(f) The Secretary of Revenue or his deputies shall have the right, and are hereby authorized, to examine the books and records of any person, firm, or corporation operating such warehouse, for the purpose of verifying the reports made and of ascertaining the number of pounds of leaf tobacco sold during the preceding year, or other years, in such warehouse.

(g) Any person, firm, or corporation who or which violates any of the provisions of this section shall, in addition to all other penalties provided for in this Article, be guilty of a misdemeanor, and upon conviction shall be fined not less than five hundred dollars (\$500.00) and/or imprisoned, in the discretion of the court.

(h) No county shall levy any license tax on the business taxed under this section. Cities and towns may levy a tax not in excess of fifty dollars (\$50.00) for each warehouse."

Sec. 108. G.S. 110-44.4 reads as rewritten:

" § 110-44.4. *Enforcement.*--The provisions of this Article may be enforced by the parent, guardian, or person standing *loco parentis* to the child by filing a civil action in the district court of the county where the child can be found. Upon the institution of such action by a verified complaint, alleging that the defendant child has left home or has left the place where he has been residing and refuses to return and comply with the direction and control of the plaintiff, the court may issue an order directing the child personally to appear before the court at a specified time to be heard in answer to the allegations of the plaintiff and to comply with further orders of the court. Such orders shall be served by the sheriff upon the child and upon any other

person named as a party defendant in such action. At the time of the issuance of the order directing the child to appear the court may in the same order, or by separate order, order the sheriff to enter any house, building, structure or conveyance for the purpose of searching for said child and serving said order and for the purpose of taking custody of the person of said child in order to bring said child before the court. Any order issued at said hearing shall be treated as a mandatory injunction and shall remain in full force and effect until the child reaches the age of 18, or until further orders of the court. Within 30 days after the hearing on the original order, the child, or anyone acting in his behalf, may file a verified answer to the complaint. Upon the filing of an answer by or on behalf of said child, any district court judge holding court in the county or ~~judicial district~~ district court district as defined in G.S. 7A-133 where said action was instituted shall have jurisdiction to hear the matter, without a jury, and to make findings of fact, conclusions of law, and render judgment thereon. Any aggrieved party may within the time allowed for appeal of civil actions generally appeal to the superior court where trial shall be had without a jury. Appeals from the superior court to the Court of Appeals shall be allowed as in civil actions generally. The district judge issuing the original order or the district judge hearing the matter after answer has been filed shall also have authority to order that any person named defendant in the order or judgment shall not harbor, keep, or allow the defendant child to remain on said person's premises or in said person's home. Failure of any defendant to comply with the terms of said order or judgment shall be punishable as for contempt."

Sec. 109. G.S. 115C-325(n) reads as rewritten:

(n) Appeal. -- Any teacher who has been dismissed or demoted pursuant to G.S. 115C-325(e)(2), or pursuant to subsections (h), (k) or (l) of this section, or who has been suspended without pay pursuant to G.S. 115C-325(a)(4), shall have the right to appeal from the decision of the board to the superior court for the ~~judicial district~~ superior court district or set of districts as defined in G.S. 7A-41.1 in which the teacher is employed. This appeal shall be filed within a period of 30 days after notification of the decision of the board. The cost of preparing the transcript shall be borne by the board. A teacher who has been demoted or dismissed and who has not requested a hearing before the board of education pursuant to this section shall not be entitled to judicial review of the board's action."

Sec. 110. G.S. 115C-541 reads as rewritten:

"§ 115C-541. *Adjustment of losses; determination and report of appraisers; payment of amounts to treasurers of local school administrative units; disbursement of funds.*--In the event of loss or damage by fire, lightning, windstorm, hail, or explosions resulting

from defects in equipment in public school buildings and properties for the local school administrative units, the Fund shall pay the loss in the same proportion as the amount of insurance carried bore to the valuation of the property at the time it was insured, but not exceeding the amount which it would cost to repair or replace the property with material of like quality within a reasonable time after such loss, not in excess of the amount of insurance provided for said property, and not in excess of the amount of such loss which the Fund is required to pay in participation with fire insurance companies having policies of insurance in force on said properties at the time of the loss or damage, and the Fund shall not be liable for a greater proportion of any loss than the amount of insurance thereon shall bear to the whole insurance covering the property against the peril involved.

In the event of loss or damage by fire, lightning, windstorm, hail, or explosions resulting from defects in equipment in public school buildings and properties of the local school administrative units, to the property insured, when an agreement as to the extent of such loss or damage cannot be arrived at between the State Board of Education and the local officials having charge of the said property, the amount of such loss or damage shall be determined by three appraisers; one to be named by the State Board of Education, one by the local board of education having charge of the property, and the two so appointed shall select a third, all of whom shall be disinterested persons, and qualified from experience to appraise and value such property: Provided, however, if the appraisers appointed by the State Board of Education and the local board of education shall fail for 15 days to agree upon the third appraiser, then, on request of the State Board of Education or the local board of education having charge of the property, such third appraiser shall be selected by ~~the resident judge of the superior court of the judicial district~~ any regular resident superior court judge of the superior court district or set of districts as defined in G.S. 7A-41.1 in which the property is located. The appraisers so named shall file their written report with the State Board of Education and with the local board of education having such property in charge. The costs of the appraisal shall be paid by the Fund. Upon the determination of the loss by the appraisers, the State Board of Education shall pay the amount of such loss or damage to school property in the control of the local school administrative unit to its treasurer, upon proper warrant of the State Board of Education. Said funds shall be paid out by the treasurer of said units, as provided by this Chapter for the disbursement of the funds of such unit."

Sec. 111. G.S. 115D-12 reads as rewritten:

" § 115D-12. *Each institution to have board of trustees; selection of trustees.*--(a) Each community college established or operated pursuant

to this Chapter shall be governed by a board of trustees consisting of 13 members, or of additional members if selected according to the special procedure prescribed by the third paragraph of this subsection, who shall be selected by the following agencies.

Group One -- four trustees, elected by the board of education of the public school administrative unit located in the administrative area of the institution. If there are two or more public school administrative units, whether city or county units, or both, located within the administrative area, the trustees shall be elected jointly by all of the boards of education of those units, each board having one vote in the election of each trustee, except as provided in G.S. 115D-59.

Group Two -- four trustees, elected by the board of commissioners of the county in which the institution is located. Provided, however, if the administrative area of the institution is composed of two or more counties, the trustees shall be elected jointly by the boards of commissioners of all those counties, each board having one vote in the election of each trustee. Provided, also, the county commissioners of the county in which the community college has established a satellite campus may elect an additional two members if the board of trustees of the community college agrees. Should the boards of education or the boards of commissioners involved be unable to agree on one or more trustees the senior resident superior court judge in the judicial district superior court district or set of districts as defined in G.S. 7A-41.1 where the institution is located shall fill the position or positions by appointment.

Group Three -- four trustees, appointed by the Governor.

Group Four -- the president of the student government or the chairman of the executive board of the student body of each community college established pursuant to G.S. 115D shall be an ex officio nonvoting member of the board of trustees of each said institution.

(b) All trustees shall be residents of the administrative area of the institution for which they are selected or of counties contiguous thereto with the exception of members provided for in G.S. 115D-12(a), Group Four.

(c) Vacancies occurring in any group for whatever reason shall be filled for the remainder of the unexpired term by the agency or agencies authorized to select trustees of that group and in the manner in which regular selections are made. Should the selection of a trustee not be made by the agency or agencies having the authority to do so within 60 days after the date on which a vacancy occurs, whether by creation or expiration of a term or for any other reason, the Governor shall fill the vacancy by appointment for the remainder of the unexpired term."

Sec. 112. G.S. 120-47.10 reads as rewritten:

" § 120-47.10. *Enforcement of Article by Attorney General.*--The Secretary of State shall report apparent violations of this Article to the Attorney General. The Attorney General shall, upon complaint made to him of violations of this Article, make an appropriate investigation thereof, and he shall forward a copy of the investigation to the district attorney of the ~~judicial district~~ prosecutorial district as defined in G.S. 7A-60 of which Wake County is a part, who shall prosecute any person who violates any provisions of this Article."

Sec. 113. G.S. 122C-224.3 reads as rewritten:

" § 122C-224.3. *Hearing for review of admission.*--(a) Hearings shall be held at the 24-hour facility in which the minor is being treated, if it is located within the judge's ~~judicial district~~ district court district as defined in G.S. 7A-133, unless the judge determines that the court calendar will be disrupted by such scheduling. In cases where the hearing cannot be held in the 24-hour facility, the judge may schedule the hearing in another location, including the judge's chambers. The hearing may not be held in a regular courtroom, over objection of the minor's attorney, if in the discretion of the judge a more suitable place is available.

(b) The minor shall have the right to be present at the hearing unless the judge rules favorably on the motion of the attorney to waive the minor's appearance. However, the minor shall retain the right to appear before the judge to provide his own testimony and to respond to the judge's questions unless the judge makes a separate finding that the minor does not wish to appear upon motion of the attorney.

(c) Certified copies of reports and findings of physicians, psychologists and other responsible professionals as well as previous and current medical records are admissible in evidence, but the minor's right, through his attorney, to confront and cross-examine witnesses may not be denied.

(d) Hearings shall be closed to the public unless the attorney requests otherwise.

(e) A copy of all documents admitted into evidence and a transcript of the proceedings shall be furnished to the attorney, on request, by the clerk upon the direction of a district court judge. The copies shall be provided at State expense.

(f) For an admission to be authorized beyond the hearing, the minor must be (1) mentally ill or a substance abuser and (2) in need of further treatment at the 24-hour facility to which he has been admitted. Further treatment at the admitting facility should be undertaken only when lesser measures will be insufficient. It is not necessary that the judge make a finding of dangerousness in order to support a concurrence in the admission.

- (g) The court shall make one of the following dispositions:
- (1) If the court finds by clear, cogent, and convincing evidence that the requirements of subsection (f) have been met, the court shall concur with the voluntary admission and set the length of the authorized admission of the minor for a period not to exceed 90 days; or
 - (2) If the court determines that there exist reasonable grounds to believe that the requirements of subsection (f) have been met but that additional diagnosis and evaluation is needed before the court can concur in the admission, the court may make a one time authorization of up to an additional 15 days of stay, during which time further diagnosis and evaluation shall be conducted; or
 - (3) If the court determines that the conditions for concurrence or continued diagnosis and evaluation have not been met, the judge shall order that the minor be released.

(h) The decision of the District Court in all hearings and rehearings is final. Appeal may be had to the Court of Appeals by the State or by any party on the record as in civil cases. The minor may be retained and treated in accordance with this Part, pending the outcome of the appeal, unless otherwise ordered by the District Court or the Court of Appeals."

Sec. 113.1. G.S. 122C-267 reads as rewritten:

"§ 122C-267. *Outpatient commitment; district court hearing.*--(a) A hearing shall be held in district court within 10 days of the day the respondent is taken into custody pursuant to G.S. 122C-261(e). Upon its own motion or upon motion of the proposed outpatient treatment physician or the respondent, the court may grant a continuance of not more than five days.

(b) The respondent shall be present at the hearing. A subpoena may be issued to compel the respondent's presence at a hearing. The petitioner and the proposed outpatient treatment physician or his designee may be present and may provide testimony.

(c) Certified copies of reports and findings of physicians and psychologists and medical records of previous and current treatment are admissible in evidence.

(d) At the hearing to determine the necessity and appropriateness of outpatient commitment, the respondent need not, but may, be represented by counsel. However, if the court determines that the legal or factual issues raised are of such complexity that the assistance of counsel is necessary for an adequate presentation of the merits or that the respondent is unable to speak for himself, the court may continue the case for not more than five days and order the appointment of counsel for an indigent respondent.

(e) Hearings may be held at the area facility in which the respondent is being treated, if it is located within the judge's ~~judicial district~~ district court district as defined in G.S. 7A-133, or in the judge's chambers. A hearing may not be held in a regular courtroom, over objection of the respondent, if in the discretion of a judge a more suitable place is available.

(f) The hearing shall be closed to the public unless the respondent requests otherwise.

(g) A copy of all documents admitted into evidence and a transcript of the proceedings shall be furnished to the respondent on request by the clerk upon the direction of a district court judge. If the client is indigent, the copies shall be provided at State expense.

(h) To support an outpatient commitment order, the court is required to find by clear, cogent, and convincing evidence that the respondent meets the criteria specified in G.S. 122C-263(d)(1). The court shall record the facts which support its findings and shall show on the order the center or physician who is responsible for the management and supervision of the respondent's outpatient commitment."

Sec. 114. G.S. 122C-268 reads as rewritten:

"§ 122C-268. *Inpatient commitment; district court hearing.*--(a) A hearing shall be held in district court within 10 days of the day the respondent is taken into custody pursuant to G.S. 122C-261(e). A continuance of not more than five days may be granted upon motion of:

- (1) The court;
- (2) Respondent's counsel; or
- (3) The State, sufficiently in advance to avoid movement of the respondent.

(b) The attorney, who is a member of the staff of the Attorney General assigned to one of the State's facilities for the mentally ill or the psychiatric service of North Carolina Memorial Hospital, shall represent the State's interest at commitment hearings, rehearings, and supplemental hearings held at the facility to which he is assigned under this Part.

In addition, the Attorney General may, in his discretion, designate an attorney who is a member of his staff to represent the State's interest at any commitment hearing, rehearing, or supplemental hearing held in a place other than at one of the State's facilities for the mentally ill or the psychiatric service of North Carolina Memorial Hospital.

(c) If the respondent's custody order indicates that he was charged with a violent crime, including a crime involving an assault with a deadly weapon, and that he was found not guilty by reason of insanity

or incapable of proceeding, the clerk shall give notice of the time and place of the hearing as provided in G.S. 122C-264(d). The district attorney in the county in which the respondent was found not guilty by reason of insanity or incapable of proceeding may represent the State's interest at the hearing.

(d) The respondent shall be represented by counsel of his choice; or if he is indigent within the meaning of G.S. 7A-450 or refuses to retain counsel if financially able to do so, he shall be represented by counsel appointed by the court.

(e) With the consent of the court, counsel may in writing waive the presence of the respondent.

(f) Certified copies of reports and findings of physicians and psychologists and previous and current medical records are admissible in evidence, but the respondent's right to confront and cross-examine witnesses may not be denied.

(g) Hearings may be held in an appropriate room not used for treatment of clients at the facility in which the respondent is being treated if it is located within the judge's ~~judicial district~~, district court district as defined in G.S. 7A-133 or in the judge's chambers. A hearing may not be held in a regular courtroom, over objection of the respondent, if in the discretion of a judge a more suitable place is available.

(h) The hearing shall be closed to the public unless the respondent requests otherwise.

(i) A copy of all documents admitted into evidence and a transcript of the proceedings shall be furnished to the respondent on request by the clerk upon the direction of a district court judge. If the respondent is indigent, the copies shall be provided at State expense.

(j) To support an inpatient commitment order, the court shall find by clear, cogent, and convincing evidence that the respondent is mentally ill and dangerous to himself or others or is mentally retarded and, because of an accompanying behavior disorder, is dangerous to others. The court shall record the facts that support its findings."

Sec. 115. G.S. 122C-270 reads as rewritten:

"§ 122C-270. *Attorneys to represent the respondent and the State.--*

(a) The senior regular resident superior court judge of a ~~judicial district superior court district or set of districts as defined in G.S. 7A-41.1~~ in which a State facility for the mentally ill is located shall appoint an attorney licensed to practice in North Carolina as special counsel for indigent respondents who are mentally ill or mentally retarded with an accompanying behavior disorder. This special counsel shall serve at the pleasure of the appointing judge, may not privately practice law, and shall receive annual compensation within the salary range for assistant district attorneys as fixed by the Administrative

Officer of the Courts. The special counsel shall represent all indigent respondents at all hearings, rehearings, and supplemental hearings held at the State facility and on appeals held under this Article. Special counsel shall determine indigency in accordance with G.S. 7A-450(a). Indigency is subject to redetermination by the presiding judge.

(b) The State facility shall provide suitable office space for the counsel to meet privately with respondents. The Administrative Office of the Courts shall provide secretarial and clerical service and necessary equipment and supplies for the office.

(c) In the event of a vacancy in the office of special counsel, counsel's incapacity, or a conflict of interest, counsel for indigents at hearings or rehearings may be assigned by a district judge of the district. No mileage or compensation for travel time is paid to a counsel appointed pursuant to this subsection. Counsel may also be so assigned when, in the opinion of the Administrative Officer of the Courts, the volume of cases warrants.

(d) At hearings held in counties other than those designated in subsection (a) of this section, a district court judge shall appoint counsel for indigent respondents from members of the bar of the county in accordance with G.S. 122C-268(d).

(e) Counsel assigned to represent an indigent respondent at the initial district court hearing is also responsible for perfecting and concluding an appeal, if there is one. Upon completion of an appeal, or upon transfer of the respondent to a State facility for the mentally ill, if there is no appeal, assigned counsel is discharged. If the respondent is committed to a non-State 24-hour facility, assigned counsel remains responsible for his representation until discharged by order of district court, until the respondent is unconditionally discharged from the facility, or until the respondent voluntarily admits himself to the facility.

(f) The Attorney General may employ four attorneys, one to be assigned by him full-time to each of the State facilities for the mentally ill, to represent the State's interest at commitment hearings, rehearings and supplemental hearings held under this Article at the State facilities and to provide liaison and consultation services concerning these matters. These attorneys are subject to Chapter 126 of the General Statutes and shall also perform additional duties as may be assigned by the Attorney General. The attorney employed by the Attorney General in accordance with G.S. 114-4.2B shall represent the State's interest at commitment hearings, rehearings and supplemental hearings held at North Carolina Memorial Hospital under this Article."

Sec. 116. G.S. 122C-276 reads as rewritten:

"§ 122C-276. *Inpatient commitment; rehearings.*--(a) Fifteen days

before the end of the initial inpatient commitment period if the attending physician determines that commitment of a respondent beyond the initial period will be necessary, he shall so notify the clerk of superior court of the county in which the facility is located. The clerk, at least 10 days before the end of the initial period, on order of a district court judge of the ~~judicial district~~ district court district as defined in G.S. 7A-133 in which the facility is located, shall calendar the rehearing. If the respondent was initially committed as the result of conduct resulting in his being charged with a violent crime, including a crime involving an assault with a deadly weapon, and respondent was found not guilty by reason of insanity or incapable of proceeding, the clerk shall also notify the chief district court judge, the clerk of superior court, and the district attorney in the county in which the respondent was found not guilty by reason of insanity or incapable of proceeding of the time and place of the hearing.

(b) Fifteen days before the end of the initial treatment period of a respondent who was initially committed as a result of conduct resulting in his being charged with a violent crime, including a crime involving an assault with a deadly weapon, having been found not guilty by reason of insanity or incapable of proceeding, if the attending physician determines that commitment of the respondent beyond the initial period will not be necessary, he shall so notify the clerk of superior court who shall schedule a rehearing as provided in subsection (a) of this section.

(c) Subject to the provisions of G.S. 122C-269(c), rehearsings shall be held at the facility in which the respondent is receiving treatment. The judge is a judge of the district court of the ~~judicial district~~ district court district as defined in G.S. 7A-133 in which the facility is located or a district court judge temporarily assigned to that district.

(d) Notice and proceedings of rehearsings are governed by the same procedures as initial hearings and the respondent has the same rights he had at the initial hearing including the right to appeal.

(e) At rehearsings the court may make the same dispositions authorized in G.S. 122C-271(b) except a second commitment order may be for an additional period not in excess of 180 days.

(f) Fifteen days before the end of the second commitment period and annually thereafter, the attending physician shall review and evaluate the condition of each respondent; and if he determines that a respondent is in continued need of inpatient commitment or, in the alternative, in need of outpatient commitment, or a combination of both, he shall so notify the respondent, his counsel, and the clerk of superior court of the county, in which the facility is located. Unless the respondent through his counsel files with the clerk a written

waiver of his right to a rehearing, the clerk, on order of a district court judge of the district in which the facility is located, shall calendar a rehearing for not later than the end of the current commitment period. The procedures and standards for the rehearing are the same as for the first rehearing. No third or subsequent inpatient recommitment order shall be for a period longer than one year.

(g) At any rehearings the court has the option to order outpatient commitment for a period not in excess of 180 days in accordance with the criteria specified in G.S. 122C-263(d)(1) and following the procedures as specified in this Article."

Sec. 117. G.S. 122C-286 reads as rewritten:

"§ 122C-286. *Commitment; district court hearing.*--(a) A hearing shall be held in district court within 10 days of the day the respondent is taken into custody. Upon its own motion or upon motion of the responsible professional, the respondent, or the State, the court may grant a continuance of not more than five days.

(b) The respondent shall be present at the hearing. A subpoena may be issued to compel the respondent's presence at a hearing. The petitioner and the responsible professional of the area authority or the proposed treating physician or his designee may be present and may provide testimony.

(c) Certified copies of reports and findings of physicians and psychologists and medical records of previous and current treatment are admissible in evidence, but the respondent's right to confront and cross-examine witnesses shall not be denied.

(d) The respondent may be represented by counsel of his choice. If the respondent is indigent within the meaning of G.S. 7A-450, the court shall appoint counsel to represent him.

(e) Hearings may be held at a facility if it is located within the judge's ~~judicial district~~ district court district as defined in G.S. 7A-133 or in the judge's chambers. A hearing may not be held in a regular courtroom, over objection of the respondent, if in the discretion of a judge a more suitable place is available.

(f) The hearing shall be closed to the public unless the respondent requests otherwise.

(g) A copy of all documents admitted into evidence and a transcript of the proceedings shall be furnished to the respondent on request by the clerk upon the direction of a district court judge. If the respondent is indigent, the copies shall be provided at State expense.

(h) To support a commitment order, the court shall find by clear, cogent, and convincing evidence that the respondent meets the criteria specified in G.S. 122C-283(d)(1). The court shall record the facts that support its findings and shall show on the order the area authority or

physician who is responsible for the management and supervision of the respondent's treatment."

Sec. 118. G.S. 143B-475.1 reads as rewritten:

" § 143B-475.1. *Deferred prosecution, community service restitution, and volunteer program.*--(a) The Department of Crime Control and Public Safety may conduct a deferred prosecution, community service restitution, and volunteer program for youthful and adult offenders. The Secretary of Crime Control and Public Safety may assign one or more coordinators to each ~~judicial district~~ district court district as defined in G.S. 7A-133 to assure and report to the Court the offender's compliance with the requirements of the program. The appointment of each coordinator is subject to the approval of the chief district court judge. Each county must provide office space in the courthouse or other convenient place, for the use of each coordinator assigned to that county.

(b) Unless a fee is assessed pursuant to G.S. 20-179.4 or G.S. 15A-1371(i), a fee of one hundred dollars (\$100.00) shall be paid by all persons who participate in the program or receive services from the program staff. If the person is convicted in a court in this State, the fee must be paid to the clerk of court in the county in which he is convicted. If the person is participating in the program as a result of a deferred prosecution or similar program, the fee must be paid to the clerk of court in the county in which the agreement is filed. Persons participating in the program for any other reason must pay the fee to the clerk of court in the county in which the services are provided by the program staff. The fee must be paid in full within two weeks from the date the person is ordered to perform the community service, and before he begins his community service, except that:

- (1) A person convicted in a court in this State may be given an extension of time or allowed to begin the community service before he pays the fee by the court in which he is convicted; or
- (2) A person performing community service pursuant to a deferred prosecution or similar agreement may be given an extension of time or allowed to begin his community service before the fee is paid by the official or agency representing the State in the agreement.

Fees collected pursuant to this subsection shall be deposited in the General Fund.

(c) The Secretary is authorized to designate the same person to serve as a coordinator under this section and under G.S. 20-179.4."

Sec. 119. G.S. 143B-499.4 reads as rewritten:

" § 143B-499.4. *Release of information by Center.*--The following may make inquiries of, and receive data or information from, the

Center:

(1) Any police, law-enforcement, or criminal justice agency investigating a report of a missing or unidentified person or child, whether living or deceased.

(2) A court, upon a finding by the court that access to the data, information, or records of the Center may be necessary for the determination of an issue before the court.

(3) Any district attorney of a ~~judicial district~~ prosecutorial district as defined in G.S. 7A-60 in this State or the district attorney's designee or representative.

(4) Any person engaged in bona fide research when approved by the Secretary; provided, no names or addresses may be supplied to this person.

(5) Any other person authorized by the Secretary of the Department of Crime Control and Public Safety pursuant to G.S. 143B-498(1)."

Sec. 120. G.S. 148-32.1 reads as rewritten:

" § 148-32.1. *Local confinement, costs, alternate facilities, parole, work release.*--(a) The Department of Correction shall pay each local confinement facility a standard sum set by the General Assembly in its appropriation acts at a per day, per inmate rate, for the cost of providing food, clothing, personal items, supervision and necessary ordinary medical services to those male inmates committed to the custody of the local confinement facility to serve sentences of 30 days or more. This reimbursement shall not include any period of detention prior to actual commitment by the sentencing court. The Department shall also pay to the local confinement facility extraordinary medical expenses incurred for the inmates, defined as follows:

- (1) Medical expenses incurred as a result of providing health care to an inmate as an inpatient (hospitalized);
- (2) Other medical expenses when the total cost exceeds thirty-five dollars (\$35.00) per occurrence or illness as a result of providing health care to an inmate as an outpatient (nonhospitalized); and
- (3) Cost of replacement of eyeglasses and dental prosthetic devices if those eyeglasses or devices are broken while the inmate is incarcerated, provided the inmate was using the eyeglasses or devices at the time of his commitment and then only if prior written consent of the Department is obtained by the local facility.

(b) (This subsection expires July 1, 1989.) In the event that the custodian of the local confinement facility certifies in writing to the clerk of the superior court in the county in which said local confinement facility is located that the local confinement facility is filled to capacity, or that the facility cannot reasonably accommodate

any more prisoners due to segregation requirements for particular prisoners, or that the custodian anticipates, in light of local experiences, an influx of temporary prisoners at that time, or if the local confinement facility does not meet the minimum standards published pursuant to G.S. 153A-221, any judge of the district court in the ~~judicial district~~ district court district as defined in G.S. 7A-133 where the facility is located, or any ~~judge of the superior court or a special judge of the superior court assigned to hold court in the judicial district~~ superior court judge who has jurisdiction pursuant to G.S. 7A-47.1 or 7A-48 in a district or set of districts as defined in G.S. 7A-41.1 where the facility is located may order that the prisoner be transferred to any other qualified local confinement facility within that ~~judicial~~ district or within another ~~judicial~~ such district where space is available, which local facility shall accept the transferred prisoner, if the prison population has exceeded the limits established in G.S. 148-4.1(d). If no such local confinement facility is available, then any such judge may order the prisoner transferred to such camp or facility as the proper authorities of the Department of Correction shall designate, notwithstanding that the term of imprisonment of the prisoner is 180 days or less. In no event, however, shall a prisoner whose term of imprisonment is less than 30 days be assigned or ordered transferred to any such camp or facility.

(c) When a prisoner is assigned to a local confinement facility pursuant to this section, the clerk of the superior court in the county in which the sentence was imposed shall immediately forward a copy of the commitment order to the Parole Commission so that the prisoner will be eligible for parole pursuant to G.S. 15A-137.1.

(d) When a prisoner serving a sentence of 30 days or more in a local confinement facility is placed on work release pursuant to a recommendation of the sentencing court, the custodian of the facility shall forward the prisoner's work-release earnings to the Department of Correction, which shall disburse the earnings as determined under G.S. 148-33.1(f). When a prisoner serving a sentence of 30 days or more in a local confinement facility is placed on work release pursuant to an order of the sentencing court, the custodian of the facility shall forward the prisoner's work-release earnings to the clerk of the court that sentenced the prisoner or to the Department of Correction, as provided in the prisoner's commitment order. The clerk or the Department, as appropriate, shall disburse the earnings as provided in the prisoner's commitment order. Upon agreement between the Department of Correction and the custodian of the local confinement facility, however, the clerk may disburse to the local confinement facility the amount of the earnings to be paid for the cost of the prisoner's keep, and that amount shall be set off against the

reimbursement to be paid by the Department to the local confinement facility pursuant to G.S. 148-32.1(a).

(e) Upon entry of a prisoner into a local confinement facility pursuant to this section, the custodian of the local confinement facility shall forward to the Parole Commission information pertaining to the prisoner so as to make him eligible for parole consideration pursuant to G.S. 15A-1371. Such information shall include date of incarceration, jail credit, and such other information as may be required by the Parole Commission. The Parole Commission shall approve a form upon which the custodian shall furnish this information, which form will be provided to the custodian by the Department of Correction."

Sec. 121. G.S. 153A-18 reads as rewritten:

"§ 153A-18. *Uncertain or disputed boundary.*--(a) If two or more counties are uncertain as to the exact location of the boundary between them, they may cause the boundary to be surveyed, marked, and mapped. The counties may appoint special commissioners to supervise the surveying, marking, and mapping. A commissioner so appointed or a person surveying or marking the boundary may enter upon private property to view and survey the boundary or to erect boundary markers. Upon ratification of the survey by the board of commissioners of each county, a map showing the surveyed boundary shall be recorded in the office of the register of deeds of each county in the manner provided by law for the recordation of maps or plats and in the Secretary of State's office. The map shall contain a reference to the date of each resolution of ratification and to the page in the minutes of each board of commissioners where the resolution may be found. Upon recordation, the map is conclusive as to the location of the boundary.

(b) If two or more counties dispute the exact location of the boundary between them, and the dispute cannot be resolved pursuant to subsection (a) of this section, any of the counties may apply to ~~a resident or presiding superior court judge in the judicial district or districts in which the counties are located~~ a superior court judge who has jurisdiction pursuant to G.S. 7A-47.1 or 7A-48 in any of the districts or sets of districts as defined in G.S. 7A-41.1 in which any of the counties is located for appointment of a boundary commission. The application shall identify the disputed boundary and ask that a boundary commission be appointed. Upon receiving the application, the court shall set a date for a hearing on whether to appoint the commission. The court shall cause notice of the hearing to be served on the other county or counties. If, after the hearing, the court finds that the location of the boundary is disputed, it shall appoint a

boundary commission.

The commission shall consist of one resident of each disputing county and a resident of some other county. The court may appoint one or more surveyors to assist the commission. The commission shall locate, survey, and map and may mark the disputed boundary. To do so it may take evidence and hear testimony, and any commissioner and any person surveying or marking the boundary may enter upon private property to view and survey the boundary or to erect boundary markers. Within 45 days after the day it is appointed, unless this time is extended by the court, the commission shall make its report (which shall include a map of the surveyed boundary) to the court. To be sufficient, the report must be concurred in by a majority of the commissioners. If the court is satisfied that the commissioners have made no error of law, it shall ratify the report, after which the map shall be recorded in the office of the register of deeds of each county in the manner provided by law for the recordation of maps or plats and in the Secretary of State's office. Upon recordation, the map is conclusive as to the location of the boundary.

The disputing counties shall divide equally the costs of locating, surveying, marking, and mapping the boundary, unless the court finds that an equal division of the costs would be unjust. In that case the court may determine the division of costs."

Sec. 122. G.S. 153A-92 reads as rewritten:

" § 153A-92. *Compensation.*--(a) Subject to the limitations set forth in subsection (b) of this section, the board of commissioners shall fix or approve the schedule of pay, expense allowances, and other compensation of all county officers and employees, whether elected or appointed, and may adopt position classification plans.

(b) In exercising the authority granted by subsection (a) of this section, the board of commissioners is subject to the following limitations:

- (1) The board of commissioners may not reduce the salary, allowances, or other compensation paid to an officer elected by the people for the duties of his elective office if the reduction is to take effect during the term of office for which the incumbent officer has been elected, unless the officer agrees to the reduction or unless the Local Government Commission pursuant to Chapter 159, Article 10, orders a reduction.
- (2) During the year of a general election, the board of commissioners may reduce the salary, allowances, or other compensation of an officer to be elected at the general election only in accordance with this subdivision. The board of commissioners shall by resolution give notice of intention

to make the reduction no later than 14 days before the last day for filing notice of candidacy for the office. The resolution shall set forth the reduced salary, allowances, and other compensation and shall provide that the reduction is to take effect at the time the person elected to the office in the general election takes office. Once adopted, the resolution may not be altered until the person elected to the office in the general election has taken office. The filing fee for the office shall be determined by reference to the reduced salary.

- (3) If the board of commissioners reduces the salaries, allowances, or other compensation of employees assigned to an officer elected by the people, and the reduction does not apply alike to all county offices and departments, the elected officer involved must approve the reduction. If the elected officer refuses to approve the reduction, he and the board of commissioners shall meet and attempt to reach agreement. If agreement cannot be reached, either the board or the officer may refer the dispute to arbitration by the senior ~~regular~~ resident superior court judge of the ~~judicial district~~ superior court district or set of districts as defined in G.S. 7A-41.1 in which the county is located. The judge shall make an award within 30 days after the day the matter is referred to him. The award may extend for no more than two fiscal years, including the fiscal year for which it is made.
- (4) The board of commissioners shall fix their own salaries, allowances, and other compensation in accordance with G.S. 153A-28.
- (5) The board of commissioners shall fix the salaries, allowances and other compensation of county employees subject to the State Personnel Act according to the procedures set forth in Chapter 126. The board may make these employees subject to a county position classification plan only as provided in Chapter 126.

(c) In counties with a county manager, the manager is responsible for preparing position classification and pay plans for submission to the board of commissioners and for administering the pay plan and any position classification plan in accordance with general policies and directives adopted by the board. In counties without a county manager, the board of commissioners shall appoint or designate a personnel officer, who shall then be responsible for administering the pay plan and any position classification plan in accordance with general policies and directives adopted by the board.

(d) A county may purchase life insurance or health insurance or both for the benefit of all or any class of county officers and employees as a part of their compensation. A county may provide other fringe benefits for county officers and employees."

Sec. 123. G.S. 153A-223 reads as rewritten:

" § 153A-223. *Enforcement of minimum standards.*--If an inspection conducted pursuant to G.S. 153A-222 discloses that the jailers and supervisory and administrative personnel of a local confinement facility do not meet the entry level employment standards established pursuant to Chapter 17C or Chapter 17E or that a local confinement facility does not meet the minimum standards published pursuant to G.S. 153A-221 and, in addition, if the Secretary determines that conditions in the facility jeopardize the safe custody, safety, health, or welfare of persons confined in the facility, the Secretary may order corrective action or close the facility, as provided in this section:

(1) The Secretary shall give notice of his determination to the governing body and each other local official responsible for the facility. The Secretary shall also send a copy of this notice, along with a copy of the inspector's report, to the senior ~~regular~~ resident superior court judge for the judicial district of the superior court district or set of districts as defined in G.S. 7A-41.1 in which the facility is located. Upon receipt of the Secretary's notice, the governing body shall call a public hearing to consider the report. The hearing shall be held within 20 days after the day the Secretary's notice is received. The inspector shall appear at this hearing to advise and consult with the governing body concerning any corrective action necessary to bring the facility into conformity with the standards.

(2) The governing body shall, within 30 days after the day the Secretary's notice is received, request a contested case hearing, initiate appropriate corrective action or close the facility. The corrective action must be completed within a reasonable time.

(3) A contested case hearing, if requested, shall be conducted pursuant to G.S. 150A, Article 3. The issues shall be: (i) whether the facility meets the minimum standards; (ii) whether the conditions in the facility jeopardize the safe custody, safety, health, or welfare of persons confined therein; and (iii) the appropriate corrective action to be taken and a reasonable time to complete that action.

(4) If the governing body does not, within 30 days after the day the Secretary's notice is received, or within 30 days after service of the final agency decision if a contested case hearing is held, either initiate corrective action or close the facility, or does not complete the action within a reasonable time, the Secretary may order that the facility be

closed.

(5) The governing body may appeal an order of the Secretary to the senior ~~regular~~— resident superior court judge. The governing body shall initiate the appeal by giving by registered mail to the judge and to the Secretary notice of its intention to appeal. The notice must be given within 15 days after the day the Secretary's order is received. If notice is not given within the 15-day period, the right to appeal is terminated.

(6) The senior ~~regular~~ resident superior court judge shall hear the appeal. He shall cause notice of the date, time, and place of the hearing to be given to each interested party, including the Secretary, the governing body, and each other local official involved. The Secretary, if a contested case hearing has been held, shall file the official record, as defined in G.S. 150A-37, with the senior ~~regular~~ resident superior court judge and shall serve a copy on each person who has been given notice of the hearing. The judge shall conduct the hearing without a jury. He shall consider the official record, if any, and may accept evidence from the Secretary, the governing body, and each other local official which he finds appropriate. The issue before the court shall be whether the facility continues to jeopardize the safe custody, safety, health, or welfare of persons confined therein. The court may affirm, modify, or reverse the Secretary's order."

Sec. 124. G.S. 156-134 reads as rewritten:

" § 156-134. *Duties of the auditor.*--The auditor for the drainage district will be required to examine the assessment roll and the records and accounts of the sheriff or tax collector as to the assessment roll which went into his hands on the previous first Monday in September and for all previous years as to which the records and accounts of the sheriff or tax collector have not been audited.

The auditor shall for each of such years make a report as to each drainage district, showing the total amount of drainage assessments due for each year, the amount collected by the sheriff up to the fifteenth day of May of the following year, the names of the owners of land, and a brief description of the lands on which the drainage assessments have not been paid, and the total amount of unpaid drainage assessments, with any further data or information which the auditor may regard as pertinent.

If the lands in the district lie in other counties, the auditor for the county in which the district was established shall also examine the records of the sheriff or tax collector for such other counties.

The auditor shall also examine the books of the treasurer for similar years, and he shall report the amount of drainage assessments paid to the treasurer by the sheriff or tax collector for each year, and the

amounts paid out by the treasurer during such years, and for what purposes paid. It shall be the duty of the sheriff and treasurer to permit the auditor to examine their official books and records and to furnish all necessary information, and to assist the auditor in the discharge of his duties.

The auditor shall make a report to the board of county commissioners on or before the first Monday in July following his appointment, and he shall deliver a duplicate of such report to the chairman of the board of drainage commissioners of each drainage district established in the county.

If the sheriff has not collected all of the drainage assessments, or has not paid over all collections to the treasurer, or if the treasurer has not made disbursements of the drainage funds as required by law, or has not in his hands the funds not so disbursed by him, it shall be the duty of the auditor to so report, and to prepare two certified copies of his report, one of which shall be delivered to the judge holding a session of superior court in the county following the first Monday in July, and a copy to the district attorney of the ~~judicial district~~ prosecutorial district as defined in G.S. 7A-60 in which the county is located, and it shall be the duty of such district attorney to examine carefully such report and to institute such action, civil or criminal, against the sheriff or tax collector or the treasurer, as the facts contained in the report may justify, or as may be required by law."

Sec. 125. G.S. 163-156 reads as rewritten:

~~" § 163-156. Rules when two or more vacancies for superior court judge of different term length are to be voted on in the same year, or where two or more elections for less than a full term are to be voted on in the same year.--(a) The General Assembly finds that:~~

- ~~(1) The provisions of law requiring candidates for Superior court judge to designate the vacancy they are seeking are unenforceable under Section 5 of The Voting Rights Act of 1965;~~
- ~~(2) In some judicial districts, where such staggered Terms have been approved under Section 5 of the Voting Rights Act, not all the terms of the Superior court judges expire at the same time, and The provisions of Article IV, Section 19 of the North Carolina Constitution dealing with filling of Unexpired terms in an election could result in an Election being held simultaneously in a judicial District for one or more full eight-year terms, and One or more unexpired terms of two, four, or six Years.~~
- ~~(3) The senior resident superior court judge is given Additional responsibilities by North Carolina law, And applying a rule whereby a full term and an Unexpired term are voted on at~~

~~the same time Without designation as to vacancy could result in a Senior judge running for reelection for a full Eight-year term instead being elected to a two-year Unexpired term merely because that judge finished Second in statewide voting for two seats, which Would be disruptive of the process of retaining Career judges;~~

- ~~(4) Article IV, Section 19 of the North Carolina Constitution requires that vacancies in superior Court judgeships occurring as late as 31 days Before the general election be filled for the Remainder of the unexpired term, which is long After the main part of the judicial ballot has been Printed, and while absentee voting is already going On. In the past, when an unexpired term has Occurred soon before the election, a supplemental Ballot has been issued for use along with the Regular judicial ballot. If the State were Required to conduct elections for last-minute Unexpired terms without designation as to vacancy With the already scheduled full terms, it would Require scrapping ballots already printed and would Greatly disrupt the election process.~~

~~(b) When there is an election in a judicial district for one or more offices of superior court judge for full terms, and there is also to be an election for one or more unexpired terms in the same district at that same election in accordance with Article IV, Section 19 of the North Carolina Constitution, the nomination and election shall be determined by the following special rules in addition to any other provisions of law:~~

- ~~(1) If the unexpired term occurs prior to the tenth day Before the filing period ends under G.S. 163-106(c), nominations shall be made by primary Election as provided by Article 10 of this Chapter, With designation as to the vacancy for the Unexpired term as against any full term, but Without designation as to vacancy between unexpired Terms if there is more than one unexpired term;~~
- ~~(2) If the unexpired term occurs beginning on the tenth Day before the filing period ends under G.S. 163-106(c), and ending on the sixtieth day before the General election, a nomination shall be made by the Appropriate district executive committee of each Political party and the names of the nominees shall Be printed on the general election ballots, with Designation as to the vacancy for the unexpired Term as against any full term, but without Designation as to vacancy between unexpired terms If there is more than one unexpired term;~~

- ~~(4) The general election ballot shall contain, without Designation as to vacancy between full terms, Spaces for the election of all full terms. The General election ballot shall contain, without Designation as to vacancy between unexpired terms, Spaces for the election of all unexpired terms Where nominations were made under subdivisions (1) Or (2) of this subsection;~~
- ~~(5) In the general election, the persons receiving the Highest numbers of votes equal to the number of Full terms to be elected shall be elected to those Full terms;~~
- ~~(6) In the general election, the persons receiving the Highest numbers of votes shall be elected to the Unexpired term or terms, in order of length of the Unexpired terms (longest first), until all those Terms have been filled. If unexpired terms of Different lengths are to be filled, and two or more Persons receive an equal number of votes, and all Are to be elected, then the provisions of the last Sentence of G.S. 163-191 shall not apply, and the State Board of Elections by lot shall determine Which term each candidate elected is to receive;~~

(c) When there is no election in a judicial district for any offices of superior court judge for full terms, and there is to be an election for one or more unexpired terms in that district at that same election in accordance with Article VI, Section 19 of the North Carolina Constitution, the nomination and election shall be determined by the following special rules in addition to any other provisions of law:

- (1) If the unexpired term occurs prior to the tenth day Before the filing period ends under G.S. 163-106(c), nominations shall be made by primary election as provided by Article 10 of this Chapter, without designation as to the vacancy;
- (2) If the unexpired term occurs beginning on the tenth day before the filing period ends under G.S. 163-106(c), and ending on the sixtieth day before the general election, a nomination shall be made by the appropriate district executive committee of each political party and the names of the nominees shall Be printed on the general election ballots, without designation as to the vacancy;
- (4) The general election ballot shall contain, without Designation as to vacancy, spaces for the election Of all unexpired terms where nominations were made under subdivisions (1) or (2) of this subsection. The persons receiving the highest numbers of votes equal to the unexpired term or terms, shall be elected to the unexpired term or terms, ~~in order of length of the unexpired terms~~

~~(longest first), until all those terms have been filled. If unexpired terms of different lengths are to be filled, and two or more persons receive an equal number of votes, and all are to be elected, then the provisions of the last sentence of G.S. 163-191 shall not apply, and if the terms are of unequal length, the State Board of Elections by lot shall determine which term each candidate elected is to receive; ."~~

Sec. 126. G.S. 163-192 reads as rewritten:

" § 163-192. *State Board of Elections to prepare abstracts and declare results of primaries and elections.*

(a) After Primary. -- At the conclusion of its canvass of the primary election, the State Board of Elections shall prepare separate abstracts of the votes cast:

- (1) For Governor and all State officers, justices of the Supreme Court, judges of the Court of Appeals, judges of the superior court, and United States Senators.
- (2) For members of the United States House of Representatives for the several congressional districts in the State.
- (3) For district court judges for the several judicial district court districts in the State.
- (4) For district attorney in the several prosecutorial districts in the State.
- (5) For State Senators in the several senatorial districts in the State composed of more than one county.
- (6) For members of the State House of Representatives in the several representative districts in the State composed of more than one county.

Abstracts prepared by the State Board of Elections under this subsection shall state the total number of votes cast for each candidate of each political party for each of the various offices canvassed by the State Board of Elections. They shall also state the name or names of the person or persons whom the State Board of Elections shall ascertain and judicially determine by the count to be nominated for each office.

Abstracts prepared under this subsection shall be signed by the members of the State Board of Elections in their official capacity and shall have the great seal of the State affixed thereto.

(b) After General Election. -- At the conclusion of its canvass of the general election, the State Board of Elections shall prepare abstracts of the votes cast:

- (1) For President and Vice-President of the United States, when an election is held for those offices.
- (2) For Governor and all State officers, justices of the Supreme Court, judges of the Court of Appeals, judges of the superior

- court, and United States Senators.
- (3) For members of the United States House of Representatives for the several congressional districts in the State.
 - (4) For district court judges for the several ~~judicial districts~~ district court district as defined in G.S. 7A-133 in the State.
 - (5) For district attorney in the several prosecutorial districts in the State.
 - (6) For State Senators in the several senatorial districts in the State composed of more than one county.
 - (7) For members of the State House of Representatives in the several representative districts in the State composed of more than one county.
 - (8) For and against any constitutional amendments or propositions submitted to the people.

Abstracts prepared by the State Board of Elections under this subsection shall state the names of all persons voted for, the office for which each received votes, and the number of legal ballots cast for each candidate for each office canvassed by the State Board of Elections. They shall also state the name or names of the person or persons whom the State Board of Elections shall ascertain and judicially determine by the count to be elected to each office.

Abstracts prepared under this subsection shall be signed by the members of the State Board of Elections in their official capacity and shall have the great seal of the State affixed thereto.

(c) Disposition of Abstracts of Returns. -- The State Board of Elections shall file with the Secretary of State the original abstracts of returns prepared by it under the provisions of subsections (a) and (b) of this section, and also the duplicate county abstracts transmitted to the State Board of Elections under the provisions of G.S. 163-177."

Sec. 126.1. Effective upon ratification, G.S. 163-114 is amended by deleting "judicial district" each time those words appear, and substituting "superior court district".

Sec. 127. This act shall become effective January 1, 1989.

In the General Assembly read three times and ratified this the 5th day of July, 1988.

S.B. 1619

CHAPTER 1038

AN ACT TO PROVIDE FOR THE FILING OF HOUSING CODE NOTICES OR ORDERS IN THE NOTICE OF *LIS PENDENS* BY THE CITY OF WILMINGTON.

The General Assembly of North Carolina enacts:

Section 1. Section 2 of Chapter 221, Session Laws of 1987

reads as rewritten:

"Sec. 2. This act applies only to the Cities of Asheville, Brevard, Charlotte, Greensboro, ~~and Hendersonville, Hendersonville, and Wilmington~~ and the Counties of Buncombe and Transylvania."

Sec. 2. This act is effective upon ratification.

In the General Assembly read three times and ratified this the 5th day of July, 1988.

H.B. 2648

CHAPTER 1039

AN ACT TO CLOSE LOOPHOLES THAT ALLOW HIGH-INCOME TAXPAYERS TO CLAIM THE LOW-INCOME TAX CREDIT AND TO INCREASE THE MAXIMUM FEES THAT CAN BE ESTABLISHED BY THE MANUFACTURED HOUSING BOARD AND THE BOARD OF PHARMACY.

The General Assembly of North Carolina enacts:

Section 1. G.S. 105-151.16 reads as rewritten:

"§ 105-151.16. *General credit for individuals with low or moderate incomes.*--(a) Credit. -- Except as provided in subsection (b), ~~an individual~~ a taxpayer whose net taxable income for the taxable year falls into one of the income brackets in the table below is allowed a credit against the tax imposed by this Division equal to the figure shown in the table for his income bracket. This credit may not exceed the amount of tax imposed on the ~~individual taxpayer~~ taxpayer by this Division for the taxable year, reduced by the sum of all credits allowed the ~~individual taxpayer~~ taxpayer under this Division, except tax payments made by or on behalf of the ~~individual taxpayer~~ taxpayer.

	<i>Net Taxable Income</i>	<i>Amount of Credit</i>
\$	0 -- 5,000	\$ 25
	5,001 -- 10,000	20
	10,001 -- 15,000	15

As used in this section, the term 'taxpayer' means an individual who is not married, an individual who is married but is not living with his spouse, or a husband and wife who are married and living together and who file a combined return. The marital status of the taxpayer shall be determined as of the end of the taxable year. To calculate the amount of the credit for a husband and wife filing a combined return, their net taxable incomes shall be combined. The credit for which the husband and wife are eligible may be claimed one-half (1/2) by each, or one spouse may, by agreement with the

other spouse, claim the entire credit. If either the husband or wife is ineligible for the credit because the restriction in either subdivision (b)(2) or (b)(5) applies, then the other spouse is also ineligible.

(b) Restrictions. The following individual taxpayers may not claim the credit allowed by this section:

- (1) An individual who was not a resident of this State and did not live in this State for at least half the taxable ~~year; year.~~
- (2) An individual who received assistance under the Food Stamp Program, 7 U.S.C. § 51, for the entire taxable ~~year; year.~~
- (3) An individual who was an inpatient at a hospital facility, as defined in G.S. 131E-16, for at least half the taxable ~~year; year.~~
- (4) An individual who was in jail or in other official detention for at least half the taxable ~~year; and year.~~
- (5) An individual who may be claimed as a dependent by another under G.S. 105-149(a)(5).
- (6) An individual who is married, is living with his spouse, and does not file a combined return as provided in G.S. 105-152(e).
- (7) A taxpayer whose gross income for the taxable year exceeds thirty thousand dollars (\$30,000).

(c) 'Net Taxable Income' Defined. -- As used in this section, 'net taxable income' means net income less the amount of any personal exemptions allowed the individual."

Sec. 2. G.S. 143-143.11(b) reads as rewritten:

"(b) Application for such license shall be made to the Board at such time, in such form, and contain such information as the Board shall require, and shall be accompanied by the required fee established by the Board. Such fee shall not exceed ~~twenty-five dollars (\$25.00)~~ three hundred dollars (\$300.00) for any license."

Sec. 3. G.S. 143-143.11(f) reads as rewritten:

"(f) Supplemental licenses shall be issued for each place of business, operated or proposed to be operated by the licensee, that is not contiguous to other premises for which a license is issued. The fee for a supplemental license shall be established by the Board and shall not exceed ~~fifty dollars (\$50.00),~~ three hundred dollars (\$300.00), provided that no supplemental license shall be required for a place of business operated by a licensee that is used exclusively for storage."

Sec. 4. G.S. 90-85.24 reads as rewritten:

"§ 90-85.24. *Fees collectible by Board.*--The Board of Pharmacy shall be entitled to charge and collect not more than the following fees: for the examination of an applicant for license as a pharmacist,

one hundred fifty dollars (\$150.00) plus the cost of the test material; for renewing the license as a pharmacist, ~~forty dollars (\$40.00)~~ sixty-five dollars (\$65.00); for renewing the license of an assistant pharmacist, ten dollars (\$10.00); for licenses without examination as provided in G.S. 90-85.20, original, ~~two hundred dollars (\$200.00)~~ three hundred dollars (\$300.00); for original registration of a drugstore, ~~two hundred dollars (\$200.00)~~ two hundred fifty dollars (\$250.00), and renewal thereof, ~~one hundred dollars (\$100.00)~~ one hundred twenty-five dollars (\$125.00). All fees shall be paid before any applicant may be admitted to examination or his name placed upon the register of pharmacists or before any license or permit, or any renewal thereof, may be issued by the Board."

Sec. 5. It is the intent of the General Assembly that the appropriate House and Senate Appropriations Committees shall continue to consider critical school facility needs and the best ways to meet these critical school facility needs.

Sec. 6. Section 1 of this act is effective for taxable years beginning on or after January 1, 1988. Sections 2 and 3 of this act shall become effective July 1, 1988.

In the General Assembly read three times and ratified this the 5th day of July, 1988.

S.B. 1837

CHAPTER 1040

AN ACT TO EXTEND AN ACT PERMITTING GRAND JURIES
TO INVESTIGATE DRUG TRAFFICKING, AND
CONCERNING CRIMINAL CONTEMPT AND IMMUNITY.

The General Assembly of North Carolina enacts:

Section 1. Section 6 of Chapter 843, Session Laws of 1985, is amended by deleting the year "1988" and substituting the year "1991" in lieu thereof.

Sec. 2. G.S. 5A-12(a) is amended by deleting "18" and substituting "6".

Sec. 3. G.S. 15A-622(h) is amended in the first sentence by inserting after "district attorney," a new phrase to read: "with the approval of a committee of at least three members of the North Carolina Conference of District Attorneys, and".

Sec. 4. G.S. 15A-623(h) is amended as follows:

(1) By inserting immediately after the first sentence, a new sentence to read: "The record shall be transcribed.";

(2) In the sixth sentence by inserting after the words "law-enforcement officers" the following: ", the witness or his attorney"; and

(3) In the fifth sentence of the last paragraph by inserting immediately after "G.S. 15A-801" a new phrase to read: "and Article 43 of Chapter 15A."

Sec. 5. Sections 2, 3, and 4 of this act shall become effective October 1, 1988. The remainder of this act is effective upon ratification.

In the General Assembly read three times and ratified this the 5th day of July, 1988.

S.B. 1645

CHAPTER 1041

AN ACT TO MODIFY THE FORMULA FOR REIMBURSING LOCAL GOVERNMENTS FOR REVENUE LOST DUE TO THE REPEAL OF PROPERTY TAXES ON INVENTORIES AND TO MAKE TECHNICAL CHANGES.

The General Assembly of North Carolina enacts:

Section 1. Effective January 1, 1989, G.S. 105-275.1, as enacted by Chapter 622 of the 1987 Session Laws and rewritten by Chapter 813 of the 1987 Session Laws, reads as rewritten:

"§ 105-275.1. Reimbursement for exclusion of manufacturers' inventories— inventories and poultry and livestock.--(a) Initial Distribution. On or before January 15, 1989, the governing body of each county and each city shall furnish to the Secretary a list of (i) all the inventories owned by manufacturers that were required to be listed and assessed as of January 1, 1987, and were listed on or before September 1, 1987, in the county or city under this ~~Subchapter.~~ Subchapter, (ii) all livestock and poultry and feed used in the production of livestock and poultry that was required to be listed and assessed as of January 1, 1987, and was listed on or before September 1, 1987, in the county or city under this Subchapter; and (iii) all the crops and other agricultural or horticultural products held for sale, whether in process or ready for sale, owned by taxpayers regularly engaged in the growth, breeding, raising, or other production of new products for sale, that were not included under subdivision (ii) above and that were required to be listed and assessed as of January 1, 1987, and were listed on or before September 1, 1987, in the county or city under this Subchapter. The list shall contain the value of the inventories and other items as well as the property tax rates in effect in the county or city for the eight years from 1980 through 1987. The list shall also contain the property tax rates in effect for those years in each special district for which the county or city collected taxes in 1987 but whose tax rates were not included in the rates listed for the county or city, and the value of the inventories owned by

manufacturers and other items described in subdivisions (ii) and (iii) above that were required to be listed and assessed as of January 1, 1987, and were listed on or before September 1, 1987, in that district. The list shall be accompanied by an affidavit attesting to the accuracy of the list and shall be on a form prescribed by the Secretary.

On or before March 20, 1989, the Secretary shall pay to each county and city that submitted a list under this subsection an amount equal to the county or city average rate, as provided below, multiplied by the value of the inventories owned by manufacturers that were required to be listed and assessed as of January 1, 1987, and were listed on or before September 1, 1987, in the county or city, plus or minus the percentage of this product that equals the percentage by which State personal income has increased or decreased during the most recent 12-month period for which State personal income data has been compiled by the Bureau of Economic Analysis of the United States Department of Commerce.

On or before March 20, 1989, the Secretary shall also pay to each county and city that submitted a list under this subsection an amount equal to the average rate, as provided below, for each special district for which the county or city collected taxes in 1987, but whose tax rates were not included in the county or city's rates, multiplied by the value of the inventories owned by manufacturers that were required to be listed and assessed as of January 1, 1987, and were listed on or before September 1, 1987, in the district, plus or minus the percentage of this product that equals the percentage by which State personal income has increased or decreased during the most recent 12-month period for which State personal income data has been compiled by the Bureau of Economic Analysis of the United States Department of Commerce.

The Secretary shall calculate an average rate for each county and city, and for each special district whose tax rates were not included in the tax rates of a county or city, as the arithmetic mean of the property tax rates in effect in the county, city, or district for the eight years from 1980 through 1987. If a county, city, or district did not have tax rates in effect for the entire eight-year period, the average rate shall be the arithmetic mean of the property rates in effect for the years during the eight-year period that it did have rates in effect.

Of the funds received by each county and city pursuant to this subsection, the portion that was received because the county or city was collecting taxes for a special district (either because the district's tax rate was included in the city or county's rate or because the Secretary paid the county or city the product of the district's average

rate and the value of the inventories in the district) shall be distributed among the districts in the county or city ~~in accordance with regulations issued by the Local Government Commission. This distribution shall be made~~ as soon as practicable after the city or county receives funds under this subsection. The county or city shall distribute to each special district in the county or city an amount equal to the average rate for the district multiplied by the value of the inventories owned by manufacturers that were required to be listed and assessed as of January 1, 1987, and were listed on or before September 1, 1987, in the district, plus or minus the percentage of this product that equals the percentage by which State personal income has increased or decreased during the most recent 12-month period for which State personal income data has been compiled by the Bureau of Economic Analysis of the United States Department of Commerce. The Local Government Commission may adopt rules for the resolution of disputes and correction of errors in the distribution among special districts provided in this paragraph. The Local Government Commission shall report to the 1990 General Assembly any errors it discovers in the information furnished by local governments to the Secretary as required in this subsection.

(b) Subsequent Distributions. As soon as practicable after January 1, 1990, the Secretary shall pay to each county and city the amount it received under subsection (a) in 1989 plus an amount equal to the county or city average rate multiplied by the value of the items described in subdivisions (ii) and (iii) of subsection (a) that were required to be listed and assessed as of January 1, 1987, and were listed on or before September 1, 1987, in the county or city, plus or minus the percentage of this product that equals the percentage by which State personal income has increased or decreased during the most recent 12-month period for which State personal income data has been compiled by the Bureau of Economic Analysis of the United States Department of Commerce. As soon as practicable after January 1, 1990, the Secretary shall also pay to each county and city an amount equal to the average rate for each special district for which the county or city collected taxes in 1987, but whose tax rates were not included in the county or city's rates, multiplied by the value of the items described in subdivisions (ii) and (iii) of subsection (a) that were required to be listed and assessed as of January 1, 1987, and were listed on or before September 1, 1987, in the district, plus or minus the percentage of this product that equals the percentage by which State personal income has increased or decreased during the most recent 12-month period for which State personal income data has been compiled by the Bureau of Economic Analysis of the United States Department of Commerce. Thereafter, except as provided in

subsection (f), as soon as practicable after January 1 of each year, the Secretary shall distribute to each county and city the amount it received under this section the preceding year.

Of the funds received by each county and city pursuant to this subsection in 1990, the portion that was received because the county or city was collecting taxes for a special district (either because the district's tax rate was included in the city or county's rate or because the Secretary paid the county or city the product of the district's average rate and the value of the inventories and other items in the district) shall be distributed among the districts in the county or city as soon as practicable after the city or county receives the funds. The county or city shall distribute to each special district in the county or city the amount it distributed to the district in 1989 plus an amount equal to the average rate for the district multiplied by the value of the items, other than inventory, described in subdivisions (ii) and (iii) of subsection (a) that were required to be listed and assessed as of January 1, 1987, and were listed on or before September 1, 1987, in the district, plus or minus the percentage of this product that equals the percentage by which State personal income has increased or decreased during the most recent 12-month period for which State personal income data has been compiled by the Bureau of Economic Analysis of the United States Department of Commerce.

As Each year thereafter, as soon as practicable after receiving funds under this subsection, every county and city shall distribute among the special districts for which the county or city collects tax an amount equal to the amount it distributed among such districts the previous year. The Local Government Commission may adopt rules for the resolution of disputes and correction of errors in the distribution among special districts provided in this subsection. In addition, the Local Government Commission may adopt rules for the reallocation of funds when a special district is dissolved, merged, or consolidated, or when a special district ceases to levy tax, either temporarily or permanently.

(c) Use. Funds received by a county, city, or special district under this section may be used for any lawful purpose.

(d) 'City' Defined. As used in this section, the term 'city' has the same meaning as in G.S. 153A-1(1).

(e) Source of Funds. To pay for the distribution required by this section and the cost to the Department of Revenue of making the distribution, the Secretary of Revenue shall charge the collections received by the Department under Division I of Article 4 of Chapter 105 with an amount equal to the amount distributed and the cost of making the distribution.

(f) Correction of Errors. If the Secretary discovers that the amount or value of any inventories or other items listed by a county or city pursuant to subsection (a) of this section was overstated or understated, the Secretary shall adjust the amount to be distributed under subsection (b) as follows. For the distribution to be made in the year following discovery of the overstatement or understatement, the Secretary shall distribute to the county or city the amount it would have received under subsection (b) in 1990 if it had not overstated or understated the amount or value of any inventories or other items, plus the total amount it failed to receive in 1989 and subsequent years due to understatement of the amount or value of the inventories or other items, or minus the total amount it received in 1989 and subsequent years due to overstatement of the amount or value of the inventories or other items. Thereafter, each year the Secretary shall distribute to the county or city the amount it would have received under subsection (b) in 1990 if it had not overstated or understated the amount or value of any inventories or other items."

Sec. 1.1. G.S. 105-275 is amended by adding at the end a new subdivision to read:

"(37) Poultry and livestock and feed used in the production of poultry and livestock."

Sec. 1.2. G.S. 105-320(a)(15) is repealed.

Sec. 1.3. G.S. 105-320(b) reads as rewritten:

"(b) Instead of being shown on the tax receipt, the information required in ~~subdivisions (15) and subdivision (16)~~ of subsection (a) may be shown on a separate sheet furnished to the affected taxpayers."

Sec. 2. Effective January 1, 1989, G.S. 105-277A, as rewritten by Chapters 622 and 813 of the 1987 Session Laws, reads as rewritten:

"§ 105-277A. *Reimbursement for exclusion of retailers' and wholesalers' inventories.*—(a) Submission of Claims. On or before January 15, 1989, the governing body of each county and city shall furnish to the Secretary a list of all the inventories owned by retailers and wholesalers that were required to be listed and assessed as of January 1, 1987, and were listed on or before September 1, 1987, in the county or city under this Subchapter. The list shall contain the value of the inventories as well as the property tax rates in effect in the county or city for the eight years from 1980 through 1987. The list shall also contain the property tax rates in effect for those years in each special district for which the county or city collected taxes in 1987 but whose tax rates were not included in the rates listed for the county or city, and the value of the inventories owned by retailers and wholesalers that were required to be listed and assessed as of January 1, 1987, and were listed on or before September 1, 1987, in that

district. The list shall be accompanied by an affidavit attesting to the accuracy of the list and shall be on a form prescribed by the Secretary.

The Secretary shall calculate an average rate for each county and city, and for each special district whose tax rates were not included in the tax rates of a county or city, as the arithmetic mean of the property tax rates in effect in the county, city, or district for the eight years from 1980 through 1987. If a county, city, or district did not have tax rates in effect for the entire eight-year period, the average rate shall be the arithmetic mean of the property rates in effect for the years during the eight-year period that it did have rates in effect.

(b) First Per Capita Distribution. As soon as practicable after January 1 of 1989, the Secretary shall distribute to each taxing unit the unit's per capita share of the sum of fifteen million seven hundred forty-five thousand dollars (\$15,745,000). Thereafter, as soon as practicable after January 1 of each year the Secretary shall distribute to each taxing unit the unit's per capita share of an amount equal to the sum distributed to all taxing units the previous year under this subsection plus or minus the product of the sum distributed the previous year and the percentage by which State personal income has increased or decreased during the most recent 12-month period for which State personal income data has been compiled by the Bureau of Economic Analysis of the United States Department of Commerce.

To make the per capita distributions required by this subsection, the Secretary shall first allocate the sum to be distributed among the counties on a per capita basis. The Secretary shall then compute a per capita distributable amount for each county by dividing the amount allocated to a county by the total population of the county, plus the population of any incorporated towns and cities located in the county. Each taxing unit in a county, including the county itself, shall receive the product of the population of the taxing unit and the per capita distributable amount for that county.

A city or county that receives funds under this subsection and that collects taxes for another taxing unit shall distribute part of the taxes received by it to the taxing unit for which it collects tax. The distribution shall be made on the basis of the proportionate amount of ad valorem taxes levied, for the most recent fiscal year beginning July 1, by the city or county and by all the taxing units for which the city or county collects tax. This distribution shall be made as soon as practicable after a city or county receives funds from the State under this section.

(c) ~~Claims-based~~ Second Per Capita Distribution. On or before March 20, 1989, the Secretary shall allocate to each county an amount equal to the greater of the following:

- ~~(1) The the county's per capita share of the sum of thirty-nine million dollars (\$39,000,000); or (\$39,000,000).~~
- ~~(2) The total of the county average rate multiplied by eighty percent (80%) of the value of the inventories reported to the Secretary under subsection (a) of this section by the county, plus the city average rate for each city in the county multiplied by eighty percent (80%) of the value of the inventories reported to the Secretary under subsection (a) of this section by the city, plus the average rate for each special district for which the county or a city in the county collected taxes in 1987, but whose tax rates were not included in the county or city's rates, multiplied by eighty percent (80%) of the value of the inventories reported to the Secretary under subsection (a) of this section in behalf of the district, plus or minus the percentage of this sum that equals the percentage by which State personal income has increased or decreased during the most recent 12-month period for which State personal income data has been compiled by the Bureau of Economic Analysis of the United States Department of Commerce, minus three and four-tenths percent (3.4%) of the total distribution received by the county and the cities located in the county under G.S. 105-472, 105-486, 105-493, 105-501, and Chapter 1096 of the 1967 Session Laws between January 1, 1988, and December 31, 1988.~~

Each year thereafter, as soon as practicable after January 1, the Secretary of Revenue shall allocate to each county the amount it received the previous year under this subsection.

Amounts allocated to a county under this subsection shall in turn be divided and distributed between the county and the cities located in the county in proportion to the total amount of ad valorem taxes levied by each during the fiscal year preceding the distribution. For the purposes of this section, the amount of the ad valorem taxes levied by a county or city shall include any ad valorem taxes collected by the county or city in behalf of a special district. For the purpose of computing the distribution for any year with respect to which the property valuation of a public service company is the subject of an appeal and the Department of Revenue is restrained by law from certifying the valuation to the appropriate counties and cities, the Department shall use the latest property valuation of that public service company that has been certified.

The governing body of each county and city shall report to the Secretary of Revenue such information as he may request in order to make the distribution under this subsection. If a county or city fails to make a requested report within the time prescribed, the Secretary

may disregard that county or city and the other taxing units in the county or city in making the distribution.

~~Of the funds received by each county and city pursuant to this subsection, the portion that was received because the county or city was collecting taxes for a special district shall be distributed among the districts in the county or city in accordance with regulations issued by the Local Government Commission. This distribution shall be as soon as practicable after the city or county receives funds under this subsection.~~

(c1) Claims-based Distribution. On or before March 20, 1989, the Secretary shall distribute to each county and city an amount equal to the amount by which the county or city's inventory loss, as defined in subsection (d) of this section, exceeds the amount of the reimbursement received by the county or city under subsection (c) of this subsection.

Except as provided in subsection (g) of this section, each year thereafter, as soon as practicable after January 1, the Secretary shall distribute to each county and city the amount it received the previous year under this subsection.

(c2) Supplemental Distribution. On or before March 20, 1989, the Secretary shall determine, with respect to each county and city, whether the sum of (i) the amount the county or city received under subsection (c), plus (ii) the amount the county or city received under subsection (c1), plus (iii) three and four-tenths percent (3.4%) of the total distribution received by the county or city under G.S. 105-472, 105-486, 105-493, 105-501, and Chapter 1096 of the 1967 Session Laws between January 1, 1988, and December 31, 1988, is less than ninety percent (90%) of the amount of taxes the county or city actually levied on inventories owned by retailers and wholesalers for the 1987-88 tax year. If that sum is less than ninety percent (90%) of the amount of taxes the county or city actually levied on those inventories for the 1987-88 tax year, the Secretary shall distribute to that county or city a supplemental amount equal to the amount by which ninety percent (90%) of the taxes it actually levied on inventories owned by retailers and wholesalers for the 1987-88 tax year exceeds the total of subdivisions (i), (ii), and (iii).

Except as provided in subsection (g) of this section, each year thereafter, as soon as practicable after January 1, the Secretary shall distribute to each county and city the amount it received the previous year under this subsection.

(c3) Distribution to Special Districts. Of the funds received by each county and city pursuant to subsections (c), (c1), and (c2) of this section, the portion that was received because the county or city was collecting taxes for a special district shall be distributed among the

districts in the county or city in proportion to the amount of each special district's inventory levy, as defined in subsection (d) of this section, as soon as practicable after the city or county receives funds under this subsection. The Local Government Commission may adopt rules for the resolution of disputes and correction of errors in the distribution among special districts provided in this paragraph. In addition, the Local Government Commission may adopt rules for the reallocation of funds when a special district is dissolved, merged, or consolidated, or when a special district ceases to levy tax, either temporarily or permanently. The Local Government Commission shall report to the 1990 General Assembly any errors it discovers in the information furnished by local governments to the Secretary as required in subsection (a) of this section.

(d) Definitions. As used in this section, the term

- (1) 'City' has the same meaning as in G.S. 153A-1(1);
- (2) 'City's inventory loss' means the city's average rate multiplied by eighty percent (80%) of the value of the inventories reported to the Secretary under subsection (a) of this section by the city, plus the average rate for each special district for which the city collected taxes in 1987, but whose tax rates were not included in the city's rates, multiplied by eighty percent (80%) of the value of the inventories reported to the Secretary under subsection (a) of this section in behalf of the district, plus or minus the percentage of this amount that equals the lesser of five percent (5%) or the percentage by which State personal income has increased or decreased during the most recent 12-month period for which State personal income data has been compiled by the Bureau of Economic Analysis of the United States Department of Commerce, minus three and four-tenths percent (3.4%) of the total distribution received by the city under G.S. 105-472, 105-486, 105-493, 105-501, and Chapter 1096 of the 1967 Session Laws between January 1, 1988, and December 31, 1988;
- (3) 'County's inventory loss' means the county's average rate multiplied by eighty percent (80%) of the value of the inventories reported to the Secretary under subsection (a) of this section by the county, plus the average rate for each special district for which the county collected taxes in 1987, but whose tax rates were not included in the county's rates, multiplied by eighty percent (80%) of the value of the inventories reported to the Secretary under subsection (a) of this section in behalf of the district, plus or minus the percentage of this amount that equals the lesser of five

percent (5%) or the percentage by which State personal income has increased or decreased during the most recent 12-month period for which State personal income data has been compiled by the Bureau of Economic Analysis of the United States Department of Commerce, minus three and four-tenths percent (3.4%) of the total distribution received by the county under G.S. 105-472, 105-486, 105-493, 105-501, and Chapter 1096 of the 1967 Session Laws between January 1, 1988, and December 31, 1988;

- (4) 'Special district's inventory levy' means the special district's average rate multiplied by eighty percent (80%) of the value of the inventories reported to the Secretary under subsection (a) of this section in behalf of the district;
- (5) 'Taxing unit' means a unit that levied a property tax or for which another unit collected a property tax for the fiscal year beginning July 1 of the year preceding the date a distribution is made under this section. ~~As used in this section, the term 'city' has the same meaning as in G.S. 153A-1(1).~~

(e) Population Estimates. In making the per capita calculations under this section, the Secretary shall use the most recent annual population estimates certified by the State Budget Officer.

(f) Source of Funds. The Secretary of Revenue shall pay for the distribution required by this section and the cost of making the distribution as follows:

- (1) For the distribution made in 1989, the Secretary shall draw an amount equal to the amount distributed and the cost of making the distribution first from the Inventory Tax Reimbursement Fund created in Section 15.1 of the School Facilities Finance Act of 1987, until it is exhausted, and then the remainder of that amount from collections received by the Department under Division I of Article 4 of this Chapter.
- (2) For distributions made in subsequent years, the Secretary shall charge the collections received by the Department under ~~Division I of Article 4~~ Article 5 of this Chapter with an amount equal to the amount distributed and the cost of making the distribution.

(g) Correction of Errors. If the Secretary discovers that the amount or value of any inventories listed by a county or city pursuant to subsection (a) of this section was overstated or understated, the Secretary shall adjust the amount to be distributed under subsections (c1) and (c2) as follows. For the distribution to be made in the year following discovery of the overstatement or understatement, the Secretary shall distribute to the county or city the amount it would

have received under subsections (c1) and (c2) in 1989 if it had not overstated or understated the amount or value of any inventories, plus the total amount it failed to receive in 1989 and subsequent years due to understatement of the amount or value of the inventories, or minus the total amount it received in 1989 and subsequent years due to overstatement of the amount or value of the inventories. Thereafter, each year the Secretary shall distribute to the county or city the amount it would have received under subsections (c1) and (c2) in 1989 if it had not overstated or understated the amount or value of any inventories."

Sec. 3. Sections 1.1, 1.2, and 1.3 of this act are effective for taxable years beginning on or after January 1, 1989. The remainder of this act is effective upon ratification.

In the General Assembly read three times and ratified this the 5th day of July, 1988.

S.B. 1567

CHAPTER 1042

AN ACT TO MAKE CONFORMING AMENDMENTS TO CERTAIN LOCAL ACTS TO REFLECT CHAPTER 509, SESSION LAWS OF 1987, AS RECOMMENDED BY THE LEGISLATIVE RESEARCH COMMISSION.

The General Assembly of North Carolina enacts:

----WAKE COUNTY BUREAU OF IDENTIFICATION

Section 1. Chapter 535, Public-Local Laws of 1937, as amended by Section 1 of Chapter 505, Session Laws of 1975, is further amended by deleting "District Attorney for the Tenth Judicial District", and substituting "District Attorney for the Tenth Prosecutorial District".

----DURHAM CITY INVESTIGATIONS

Sec. 2. Section 50 of Chapter 671, Session Laws of 1975, reads as rewritten:

"Sec. 50. Investigations of City Affairs.--(1) The governing boards of the City and the County of Durham are hereby authorized jointly to establish from time to time in their discretion a special jury commission for the purpose hereinafter set out. If such jury commission is established, it shall be composed of five (5) members of the City Council, to be appointed by the Mayor, and three (3) members of the Board of Commissioners of Durham County, to be appointed by the chairman of such Board, all of whom shall serve ex officio as members of the special jury commission without additional compensation. It shall be the duty of the special jury commission, if established, to select from among all the qualified persons eligible for

jury duty in Durham County the names of eighteen (18) persons, who shall constitute a special grand jury for the purposes set out in this section.

(2) If the special grand jury authorized under Section 1 of this section is drawn, it shall choose from among its members a chairman, who shall have authority to administer oaths. It shall be the duty of the special grand jury to inquire into, examine and investigate the conduct and activities of the police department of the City and of the law enforcement officers of Durham County, with particular reference to any evidence of criminality among such law enforcement officers or any evidence of collusion with criminal elements or acquiescence in criminal conduct, and shall also investigate any evidence of organized crime or racketeering in the County and City and any evidence of a connection between such organized crime and any officials or employees of the County or City. The special grand jury shall have the same power and authority with respect to summoning and examining witnesses under oath, returning bills of indictment, and carrying on investigations to the same extent and in the same manner as the regular grand jury of the County, and bills of indictment returned by it to the Superior Court of Durham County shall have the same force and effect as bills of indictment returned by the regular grand jury of the County. The special grand jury shall make such report and recommendations to the governing bodies of the City and County of Durham as to it the facts revealed by its inquiries and investigations seem to justify.

(3) The special jury commission authorized by this section shall have power and authority to employ some duly qualified attorney to act as special prosecutor in connection with the work of the special grand jury and to employ such clerical assistance and purchase such supplies as may be needed by the special grand jury and the special prosecutor. The special prosecutor shall bear the same relation to the special grand jury as the district solicitor bears to the regular County grand jury, and it shall be the duty of the special prosecutor to assist the district solicitor in the prosecution of any cases in the Superior Court upon bills of indictment returned by the special grand jury. All cost, expenses of the special grand jury and of the special prosecutor and of clerical assistance and supplies shall be borne one-half by the City and one-half by the County of Durham. The City Council and the Board of County Commissioners of Durham County are hereby expressly authorized to appropriate and expend from general or other funds of the City and County respectively, the amounts of money which may from time to time be necessary to carry out the provisions of this section.

(4) Upon the completion of its investigation and upon making its

reports and recommendations to the governing bodies of the City and County of Durham, any such special grand jury shall make a final report to the Senior Resident Superior Court Judge ~~of the fourteenth judicial district~~ — serving Durham County and shall thereupon be discharged."

----MECKLENBURG COUNTY FAIR HOUSING

Sec. 3. Section 1 of Chapter 292, Session Laws of 1981, reads as rewritten:

"Section 1. Equal Housing. A county board of commissioners may adopt ordinances prohibiting discrimination on the basis of race, color, sex, religion, or national origin in real estate transactions. These ordinances may regulate or prohibit any act, practice, activity or procedure related, directly or indirectly, to the sale or rental of public or private housing, which affects or may tend to affect the availability or desirability of housing on an equal basis to all persons; may provide that violations constitute a criminal offense; may subject the offender to civil penalties; and may provide that the county may enforce the ordinances by application to the district court for appropriate legal and equitable remedies, including mandatory and prohibitory injunctions and orders of abatement, attorney's fees and punitive damages. The District Court of the 26th ~~Judicial District~~ District Court District shall have jurisdiction to grant all remedies arising out of this act."

----CURRITUCK GAME COMMISSION

Sec. 4. Section 29(e3) of Chapter 1436, Session Laws of 1957, as added by Section 7 of Chapter 764, Session Laws of 1983, reads as rewritten:

"(e3) The responsible judicial official in the First ~~Judicial District~~ District Court District shall schedule the hearing upon an appeal as expeditiously as possible after the appeal is perfected, but it may not be scheduled until the fourth Wednesday in September or, if later, seven days after service of the notice of appeal upon the clerk to the Game Commission and all other persons required to be served with notice of appeal under subsection (e1). If any aggrieved party fails to appear at any scheduled appeal proceeding, the party's appeal shall be dismissed."

----MINT HILL/MATTHEWS LEGAL ADVERTISING

Sec. 5. (a) G.S. 1-597, as locally modified for the Towns of Mint Hill and Matthews by Chapter 425, Session Laws of 1987, reads as rewritten:

"§ 1-597. *Regulations for newspaper publication of legal notices, advertisements, etc.*--Whenever a notice of any other paper, document or legal advertisement of any kind or description shall be authorized or required by any of the laws of the State of North Carolina,

heretofore or hereafter enacted, or by any order or judgment of any court of this State to be published or advertised in a newspaper, such publication, advertisement or notice shall be of no force and effect unless it shall be published in a newspaper with a general circulation which newspaper at the time of such publication, advertisement or notice, shall have been admitted to the United States mails as second-class matter in the county or political subdivision where such publication, advertisement or notice is required to be published, and which shall have been regularly and continuously issued in the county in which the publication, advertisement or notice is authorized or required to be published, at least one day in each calendar week for at least 25 of the 26 consecutive weeks immediately preceding the date of the first publication of such advertisement, publication or notice; provided that in the event that a newspaper otherwise meeting the qualifications and having the characteristics prescribed by G.S. 1-597 to 1-599, should fail for a period not exceeding four weeks in any calendar year to publish one or more of its issues such newspaper shall nevertheless be deemed to have complied with the requirements of regularity and continuity of publication prescribed herein. Provided further, that in the event the newspaper otherwise meeting the qualifications and having the characteristics prescribed by G.S. 1-597 to 1-599, is admitted to the United States mails as third class matter rather than second class matter, the newspaper shall qualify if it maintains a known office in the county or political subdivision where such publication, advertisement or notice is required to be published, is originated and published for the purpose of disseminating information of a public character, is not primarily designed for advertising purposes, does not contain more than seventy-five percent (75%) advertising in more than one-fourth of the issues published during the preceding six-month period. Provided further, that where any city or town is located in two or more adjoining counties, any newspaper published in such city or town shall, for the purposes of G.S. 1-597 to 1-599, be deemed to be admitted to the mails, issued and published in all such counties in which such town or city of publication is located, and every publication, advertisement or notice required to be published in any such city or town or in any of the counties where such city or town is located shall be valid if published in a newspaper published, issued and admitted to the mails anywhere within any such city or town, regardless of whether the newspaper's plant or known office or the post office where the newspaper is admitted to the mails is in such county or not, if the newspaper otherwise meets the qualifications and requirements of G.S. 1-597 to 1-599. This provision shall be retroactive to May 1, 1940, and all publications, advertisements and notices published in accordance with

this provision since May 1, 1940, are hereby validated.

Notwithstanding the provisions of G.S. 1-599, whenever a notice or any other paper, document or legal advertisement of any kind or description shall be authorized or required by any of the laws of the State of North Carolina, heretofore or hereafter enacted, or by any order or judgment of any court of this State to be published or advertised in a newspaper qualified for legal advertising in a county and there is no newspaper qualified for legal advertising as defined in this section in such county, then it shall be deemed sufficient compliance with such laws, order or judgment by publication of such notice or any other such paper, document or legal advertisement of any kind or description in a newspaper published in an adjoining county or in a county within the same ~~judicial district; district court district;~~ provided, if the clerk of the superior court finds as a fact that such newspaper otherwise meets the requirements of this section and has a general circulation in such county where no newspaper is published meeting the requirements of this section."

(b) This section applies only to the Towns of Mint Hill and Matthews.

Sec. 6. This act is effective upon ratification.

In the General Assembly read three times and ratified this the 5th day of July, 1988.

H.B. 519

CHAPTER 1043

AN ACT TO MAKE TECHNICAL CHANGES IN THE FEED LAW.

The General Assembly of North Carolina enacts:

Section 1. G.S. 106-284.40(b)(6) reads as rewritten:

"(6) Manufacturers of commercial feeds may appear before the Board, and after finding there exists a contract feeder relationship between a manufacturer of commercial feeds and an independent contractor, the Board may issue annual numbered permits exempting that manufacturer of commercial feed from paying the inspection fee assessed by the provisions of this law for that feed delivered to the contract feeder. The manufacturer of ingredients who sells such ingredients to manufacturers of commercial feeds under this subdivision shall have in his possession the exemption number of the permit referred to in G.S. 106-284.34(b) and/or the permit issued by the Board under this subdivision before the supplier may be relieved of the responsibility for payment of the inspection fee. The holder of a valid contract feeder exemption permit shall be exempt from paying the inspection fee on all ingredients purchased for its own use.

provided that at least one-half of the ingredients purchased in the previous calendar year were used in feed delivered to contract feeders.

The holder of said permit may voluntarily return said permit to the Commissioner for cancellation at which time said holder may not apply for or receive another exemption permit under this subdivision for a period of 12 months. The exemption permits under this subdivision shall be renewable automatically every year by the Board without additional findings of fact unless it is brought to the Board's attention by the Commissioner or his duly designated officer or employee that there no longer exists the relationship of a contract feeder between the manufacturer of commercial feeds and an independent contractor. In the event the Commissioner or his duly designated officer or employee notifies the Board when the permit is to be automatically renewed or anytime the permit is in effect, that there no longer exists a contract feeder relationship for the permit holder, the Board shall determine the veracity of the notification and revoke said permit if the facts are found to be true by the Board.

Commercial feeds exempt from inspection fees under this subdivision shall not be subject to sampling and analysis other than as may be necessary to determine compliance with good manufacturing practice regulations pertaining to medicated animal feed and medicated feed premises established under G.S. 106-284.38(4) of this law."

Sec. 2. This act is effective on and after January 1, 1985.

In the General Assembly read three times and ratified this the 5th day of July, 1988.

H.B. 2171

CHAPTER 1044

AN ACT TO MAKE TECHNICAL AMENDMENTS TO THE REVENUE LAWS.

The General Assembly of North Carolina enacts:

Section 1. G.S. 105-258 reads as rewritten:

" § 105-258. *Powers of Secretary of Revenue; who may sign and verify pleadings, legal documents, etc.*--The Secretary of Revenue, for the purpose of ascertaining the correctness of any return, making a return where none has been made, or determining the liability of any person for any tax imposed by this Subchapter, or collecting any such tax, shall have the power to examine, personally, or by an agent designated by him, any books, papers, records, or other data which may be relevant or material to such inquiry, and the Secretary may summon the person liable for the tax or required to perform the act, or any

officer or employee of such person, or any person having possession, custody, care or control of books of account containing entries relevant or material to the income and expenditures of the person liable for the tax or required to perform the act, or any other person having knowledge in the premises, to appear before the Secretary, or his agent, at a time and place named in the summons, and to produce such books, papers, records or other data, and to give such testimony under oath as may be relevant or material to such inquiry, and the Secretary or his agent may administer oaths to such person or persons. If any person so summoned refuses to obey such summons or to give testimony when summoned, the Secretary may apply to the Superior Court of Wake County for an order requiring such person or persons to comply with the summons of the Secretary, and the failure to comply with such court order shall be punished as for contempt.

In any action, proceeding, or matter of any kind, to which the Secretary of Revenue is a party or in which he may have an interest, all pleadings, legal notices, proofs of claim, warrants for collection, certificates of tax liability, executions, and other legal documents may be signed and verified on behalf of the Secretary by ~~the assistant commissioner~~ a Deputy or Assistant Secretary or by any director or assistant director of any division of the Department of Revenue or by any other agent or employee of the Department so authorized by the Secretary of Revenue."

Sec. 2. G.S. 105-102.4(b) reads as rewritten:

"(b) A retail variety store privilege license replaces the licenses imposed in the following sections and relieves the licensee of liability for the taxes imposed in these sections: G.S. 105-49, 105-51, 105-65.2, ~~105-80(b), 105-82~~ 105-82, and 105-89(a)."

Sec. 3. G.S. 105-164.3(20)b. reads as rewritten:

"b. 'Computer program' means the complete plan for the solution of a problem, such as the complete sequence of automatic data-processing equipment instructions necessary to solve a problem, and includes both systems and application programs and subdivisions, such as assemblers, ~~compilers~~ compilers, routines, generators, and utility programs."

Sec. 4. G.S. 105-164.4(1)d. reads as rewritten:

"d. Sales of fuel, other than electricity or piped natural gas, to manufacturing industries and manufacturing plants for use in connection with the operation of such industries and plants other than sales of fuels to be used for residential heating purposes. The quantity of fuel purchased or used at any one time shall not in any manner be a determinative factor as to whether any sale or use of fuel is or is not subject to the one percent (1%) rate of tax imposed herein."

Sec. 5. G.S. 105-164.14(b) reads as rewritten:

"(b) The Secretary of Revenue shall make refunds semiannually to hospitals not operated for profit (including hospitals and medical accommodations operated by an authority created under the Hospital Authorities Law, ~~Article 12 of Chapter 131~~, Article 2 of Chapter 131E), educational institutions not operated for profit, churches, orphanages and other charitable or religious institutions and organizations not operated for profit of sales and use taxes paid under this Article, except under G.S. 105-164.4(4a), by such institutions and organizations on direct purchases of tangible personal property for use in carrying on the work of such institutions or organizations. Sales and use tax liability indirectly incurred by such institutions and organizations on building materials, supplies, fixtures and equipment which shall become a part of or annexed to any building or structure being erected, altered or repaired for such institutions and organizations for carrying on their nonprofit activities shall be construed as sales or use tax liability incurred on direct purchases by such institutions and organizations, and such institutions and organizations may obtain refunds of such taxes indirectly paid. The Secretary of Revenue shall also make refunds semiannually to all other hospitals (not specifically excluded herein) of sales and use tax paid by them on medicines and drugs purchased for use in carrying out the work of such hospitals. This subsection does not apply to organizations, corporations, and institutions that are owned and controlled by the United States, the State, or a unit of local government, except hospital facilities created under ~~Article 12 of Chapter 131~~ Article 2 of Chapter 131E of the General Statutes and nonprofit hospitals owned and controlled by a unit of local government that elect to receive semiannual refunds under this subsection instead of annual refunds under subsection (c). In order to receive the refunds herein provided for, such institutions and organizations shall file a written request for refund covering the first six months of the calendar year on or before the fifteenth day of October next following the close of said period, and shall file a written request for refund covering the second six months of the calendar year on or before the fifteenth day of April next following the close of that period. Such requests for refund shall be substantiated by such proof as the Secretary of Revenue may require, and no refund shall be made on applications not filed within the time allowed by this section and in such manner as the Secretary may require."

Sec. 6. G.S. 105-164.12 reads as rewritten:

"§ 105-164.12. *Freight or delivery transportation charges.*--~~Freight~~ Freight, delivery, or other like transportation charges connected with

the sale of tangible personal property are subject to the sales and use tax if title to the tangible personal property being transported passes to the purchaser at the destination point. Where title to the tangible personal property being transported passes to the purchaser at the point of origin, the freight or other transportation charges are not subject to the sales tax. For the purposes of this section it is immaterial whether the retailer or purchaser actually pays for any charges made for transportation, whether the charges were actually paid by one for the other, or whether a credit or allowance is made or given for such charges. Nothing in this section shall operate to exclude from the use tax any ~~freight~~ freight, delivery or other like transportation charges. Such charges shall be included as a portion of the cost price and subject to the use tax."

Sec. 7. G.S. 105-141(a)(20) reads as rewritten:

"(20) Subject to the provisions of G.S. 105-141(b)(4), amounts received or made available from:

a. Individual retirement accounts described in section 408(a) of the Code; and

b. Individual retirement annuities described in section 408(b) of the Code; and Code.

~~c. Retirement bonds described in section 409 of the Code to the extent such amounts are includible in the recipient's gross income under the internal revenue laws of the United States."~~

Sec. 8. G.S. 105-142(d) reads as rewritten:

"(d) The amount actually distributed to any employee or the beneficiary of an employee by an employees' trust, which qualifies under subsection (f)(1)a of G.S. 105-161 as an exempt organization, or qualified plan which meets the requirements of section 401(a) of the Code shall be taxable to the employee or his beneficiary in the year in which distributed except to the extent such distribution is a rollover amount which is not includable in federal gross income under section 402(a) of the Code; provided, that if such employee has made contributions to such trust or such qualified plan, and the benefits are received as periodic payments, the amounts annually received shall be taxed as an annuity as provided in G.S. 105-141.1. The amount actually received by the employee or his beneficiary which consists of corporate shares or other securities shall be taken into account in determining the amount distributed at their fair market value, except that the net unrealized appreciation in the corporation shares or other securities of the employer corporation shall not be included in determining such amount distributed for purposes of this subsection.

The amount paid or distributed out of an individual retirement account described in section 408(a) of the Code, or individual retirement annuity described in section 408(b) of the Code, shall be

includable in the gross income of the payee or distributee to the extent such amounts are includable in the payee's or distributee's gross income for federal income tax purposes.

~~Subject to the provisions of G.S. 105-141(b)(4) the amount received from a retirement bond described in section 409 of the Code, shall be included in the gross income of the payee or distributee to the extent such amounts are includable in the payee's or distributee's gross income for federal income tax purposes.~~

In the case of a pension, profit-sharing, or stock bonus plan or trust established by an employer for the benefit of his employees which does not meet the requirements of G.S. 105-161(f)(1)a or section 401(a) of the Code, any contributions to such plan or trust made by an employer during a taxable year shall be reportable as income in such taxable year by employees in whose names such contributions are credited only to the extent that such employees shall have acquired a nonforfeitable right to such contributions in such taxable year."

Sec. 9. G.S. 105-147(20) reads as rewritten:

"(20) Reasonable amounts paid by employers to trusts which qualify for exemption under subsection (f)(1)a of G.S. 105-161 and plans established by employers for the benefit of their employees which meet the requirements of section 401(a) of the Code; deductible employee contributions as described in subsection 72(o)(5) of the Code; reasonable amounts paid by a self-employed individual or owner-employee to a retirement program pursuant to a plan adopted by such individual and approved by the Internal Revenue Service, to the extent allowed under the Code; reasonable amounts paid by or on behalf of an individual for his benefit or for the benefit of himself and his spouse to an individual retirement account described in section 408(a) of the Code, for an individual retirement annuity described in section 408(b) of the Code; ~~Code, or for a retirement bond described in section 409 of the Code (but only if the bond is not redeemed within 12 months of the date of its issuance);~~ and reasonable amounts paid by employers to nonqualified plans or trusts established by employers for the benefit of their employees, but only to the extent that such amounts contributed by such employers shall be required under the provisions of this Division to be included in the gross income of such employees. The deductions allowed by this subsection shall be allowed to the extent allowable under the Code unless contrary to the context and intent of this Division."

Sec. 10. G.S. 105-251.1(c)(2) reads as rewritten:

"(2) The reporting requirements set out in subsection (1) above may be fulfilled by providing to the Department a true and exact copy of all reports of currency transactions in excess of ten thousand dollars

(\$10,000) reported to the Commissioner of the Internal Revenue Service pursuant to ~~31 U.S.C. § 1081~~ 31 U.S.C. § 5313(a) and ~~31 C.F.R. § 103~~, 31 C.F.R. § 103.22(a)(1), as those various statutes and regulations were in effect on ~~January 1, 1983~~, January 1, 1988."

Sec. 12. G.S. 105-141(b)(5) reads as rewritten:

"(5) Any amounts received as compensation for personal injuries or sickness (i) through accident or health insurance, (ii) through health or accident plans financed by profit-sharing trusts or pension trusts, (iii) under ~~workmen's~~ workers' compensation acts or similar acts, ~~(which have been judicially declared to provide benefits in the nature of workmen's compensation benefits, by whatever name called)~~, and (iv) for damages (whether by suit or agreement); and any amounts received through self-funded reimbursement plans adopted by an employer for the benefit of his employees, reimbursing them for expenses incurred for their medical care or for the medical care of their spouses or their dependents; provided, that any amounts received from sources mentioned in this subdivision as reimbursement for medical care expenses incurred and claimed as a deduction in a prior year or in prior years shall be excluded only to the extent that such amounts exceed the deduction claimed under subdivision (11) of G.S. 105-147, except that nothing in this subdivision shall be construed as preventing a taxpayer from filing an amended return for a taxable year in which a medical deduction was claimed and allowed for the purpose of reducing the amount of the medical expense deduction claimed in such year by any reimbursement for such medical expenses received in a later year when a change in the prior year is not barred by the provisions of this Division."

Sec. 13. G.S. 105-296 is amended by adding after subsection (h) a new subsection (i) to read:

"(i) Prior to the first meeting of the board of equalization and review, the assessor may, for good cause, change the appraisal of any property subject to assessment for the current year. Written notice of a change in assessment shall be given to the taxpayer at his last known address prior to the first meeting of the board of equalization and review."

Sec. 13.1. G.S. 105-277.3 is amended by adding a new subsection (d) to read:

"(d) Enrollment in the federal Conservation Reserve Program authorized by Title XII of the Food Security Act of 1985 (Pub. L. 99-198), as amended, shall not preclude eligibility of land for present use value treatment solely on the grounds that the land is no longer in actual production, and income derived from participation in the federal

Conservation Reserve Program may be used in meeting the minimum income requirements of this section either separately or in combination with income from actual production. Land enrolled in the federal Conservation Reserve Program shall be assessed as agricultural land if it is planted in vegetation other than trees, or as forest land if it is planted in trees."

Sec. 13.2. G.S. 105-277.4 is amended by adding a new subsection (d) to read:

"(d) Notwithstanding the provisions of subsection (c), if a farm unit loses eligibility for present use value treatment solely due to a change in income caused by enrollment of land in the federal Conservation Reserve Program authorized by Title XII of the Food Security Act of 1985 (Pub. L. 99-198), as amended, no deferred taxes shall be owed and all present use value tax liens shall be extinguished.

Sec. 13.3. Notwithstanding any other provision of law, the Committee to Elect Julian Pierce, Superior Court Judge may expend any of its funds for a purpose allowed by Section 527(d)(2) of the Internal Revenue Code of 1986; provided that expenditure must be reported as if it were an expenditure as defined by G.S. 163-278.6(9).

Sec. 14. Sections 7, 8, 9, and 12 of this act are effective for taxable years beginning on or after January 1, 1988; Sections 13.1 and 13.2 are effective for taxable years beginning on or after January 1, 1986; the remainder of this act is effective upon ratification.

In the General Assembly read three times and ratified this the 5th day of July, 1988.

H.B. 2269

CHAPTER 1045

AN ACT TO ESTABLISH A NO-WAKE SPEED ZONE IN BRUNSWICK COUNTY.

The General Assembly of North Carolina enacts:

Section 1. It is unlawful to operate a vessel at greater than a no-wake speed from the American Fish Company westward to Doshers Creek in the Southport Boat Harbor and in the Intracoastal Waterway between Waterway Marker 75 and Waterway Marker 85, in the area of Shallotte Point and Bricklanding. No-wake speed is idle speed or a slow speed creating no appreciable wake.

Sec. 2. With regard to marking the no-wake speed zone established in Section 1 of this act, Brunswick County or its designee may place and maintain the markers in accordance with the Uniform Waterway Marking System and any supplementary standards for such system adopted by the Wildlife Resources Commission. All markers of the no-wake speed zone must be buoys or floating signs placed in

the water and must be sufficient in number and size as to give adequate warning of the no-wake speed zone to the vessels approaching from various directions.

Sec. 3. This act is enforceable under G.S. 75A-17 as if it were a provision of Chapter 75A of the General Statutes.

Sec. 4. Violation of Section 1 of this act is a misdemeanor punishable by a fine not to exceed two hundred fifty dollars (\$250.00) for each violation.

Sec. 5. This act is effective upon ratification and is enforceable after markers complying with Section 2 of this act are placed in the water.

In the General Assembly read three times and ratified this the 5th day of July, 1988.

H.B. 2336

CHAPTER 1046

AN ACT TO ALLOW A PROCEDURE FOR THE IMPROVEMENT OF ROADS IN CERTAIN COUNTIES AND FOR THE ASSESSMENT OF NONPARTICIPATING PROPERTY OWNERS.

The General Assembly of North Carolina enacts:

Section 1. Article 9, of Chapter 153A of the General Statutes is amended by adding a new section to read:

" § 153A-207. *Assessment for the improvement of roads.*--(a) If the property owners abutting a road desire to bring the road up to the standards of the Secondary Roads Council so that it may become a part of the State maintained system, or if the road is a part of the State maintained system and the abutting landowners desire improvement to be made thereon under the direction of the Department of Transportation, the following procedures shall be followed by the developer in order for the said developer to be reimbursed for the cost associated with the work in excess of the developer's pro rata share of the local cost of the improvements.

(b) As used in this section developer means one or more individuals, firms, partnerships, or corporations or a collection of two or more of the above acting as the entity through which collection activity as set forth herein is conducted. The developer as herein defined shall be such an entity as to be able to contract, sue and be sued, convey good title to real and personal property, and act as the payee for documents of commercial paper as contemplated in the provisions of the Uniform Commercial Code, Chapter 25, of the General Statutes.

(c) No project may be commenced under this section unless it has

been approved by the Department of Transportation.

(d) Upon petition of the developer to the County, signed and concurred with by owners who represent: (i) At least sixty-five percent (65%) of the road frontage of the project and (ii) sixty-five percent (65%) of the owners of real property abutting the proposed project, the Board of County Commissioners shall conduct a public hearing concerning the developer's proposal. Notice of the hearing shall be given by advertisement in a newspaper of general circulation in the County at least one week prior to the hearing. Following the hearing, the County may certify the project as eligible for local share reimbursement. At the time the petition is submitted, the developer shall certify that the project is approved by the Department of Transportation and provide official documentation to that effect including the scope of the work to be performed and shall provide precise cost analyses as to the amount of the local share of the cost of improvements, and shall certify good faith compliance with all requirements and procedures set forth herein. All signatures attached to the petition must be verified by the County Tax Assessor as representing property owners owning real property abutting the road project. The petition must include a map clearly showing the road project and abutting real property. The project may not be expanded or limited following the public hearing without the approval of the County.

(e) At such time as the project is approved by the Board of County Commissioners, the developers shall have a period of 90 days, or any such period as the Department of Transportation may mandate, in which to remit to the County the local share of the cost of improvement in full as indicated by the Department of Transportation. An affidavit shall accompany the payment and shall certify all sums received from owners of real property abutting the project and the amount of such sums so received. The affidavit shall also contain the name and address of the agent so designated by the developer for receipt of payments under this section.

(f) The County shall then forward the local share cost to the Department of Transportation which shall undertake the project according to the timetable established by the Department of Transportation.

(g) The Tax Assessor shall prepare a scroll of all owners of real property abutting the road project. Pro rata assessments shall then be made as against the footage of real property abutting the road project and an amount equal to ten percent (10%) of the local share shall be added to the total assessment to cover the administrative expenses of the County. If it appears from the affidavit required in subsection (e) of this section that any owner has paid a sum equal to his pro rata

assessment amount, that owner shall not be assessed.

(h) Said assessments shall be mailed by the Tax Assessor, certified mail, return receipt requested, to each owner as reflected on the assessment scroll. Assessments shall be due and payable 60 days following receipt of said assessment by the owner. If the said assessment is not paid within 60 days, said amount shall bear interest at the rate of eight percent (8%) per annum until paid. The County may foreclose assessment liens under any procedure provided by law for the foreclosure of property tax liens except that foreclosure may be begun at any time after 30 days after the due date. The lien of assessment is inferior to all prior and subsequent liens for State, local, and federal taxes and superior to all other liens.

(i) On the six-month anniversary date of the assessment, payment shall be made to the developer of such sums as may then be collected pursuant to the assessment less the ten percent (10%) administrative fee. Said payment shall be made every six months if funds have been received until the excess of the developer's pro rata share of the cost of the improvement is paid in full. The Finance Director of the County shall be responsible for payments to the developer.

(j) In addition to the requirements of this section, each developer must execute a release, satisfactory to the County, releasing the County, its employees, agents, officials, and assignees from any liability in law or in equity regarding any and all phases and requirements of this section."

Sec. 2. This act applies to Brunswick and Avery Counties only.

Sec. 3. This act is effective upon ratification.

In the General Assembly read three times and ratified this the 5th day of July, 1988.

H.B. 2390

CHAPTER 1047

AN ACT TO PROVIDE THAT THE INVENTORY TAX REIMBURSEMENT CALCULATION FOR WAKE FOREST SHALL INCLUDE THE VALUE OF MANUFACTURERS' INVENTORIES LOCATED IN AN AREA THAT WAS THE SUBJECT OF LITIGATION CHALLENGING ITS ANNEXATION AT THE TIME THE TAX ON INVENTORIES WAS REPEALED.

The General Assembly of North Carolina enacts:

Section 1. When the City of Wake Forest submits to the Secretary of Revenue the list required by G.S. 105-275.1(a), it shall include in the list the value and amount of all inventories owned by

manufacturers that were located as of January 1, 1987, in the area, known as the Southside Area, that the city sought to annex effective December 7, 1987, and that became a part of the Wake Forest corporate limits on February 24, 1988. In calculating the amount to be paid to the City of Wake Forest in 1989 pursuant to G.S. 105-275.1(a), the Secretary shall add to the value of the inventories owned by manufacturers and located in the city, the value of all inventories owned by manufacturers that were located as of January 1, 1987, in the area, known as the Southside Area, that the city sought to annex effective December 7, 1987, and that became a part of the Wake Forest corporate limits on February 24, 1988. In calculating the amount to be paid to the City of Wake Forest in subsequent years pursuant to G.S. 105-275.1(b), the Secretary shall add to the amount the city received in 1989 under G.S. 105-275.1(a) the additional amount it received in 1989 under this act.

Sec. 2. To pay for the distribution required by this section and the cost to the Department of Revenue of making the distribution, the Secretary of Revenue shall charge the collections received by the Department under Division I of Article 4 of Chapter 105 of the General Statutes with an amount equal to the amount distributed and the cost of making the distribution.

Sec. 3. This act shall become effective January 1, 1989.

In the General Assembly read three times and ratified this the 5th day of July, 1988.

H.B. 2427

CHAPTER 1048

AN ACT TO AUTHORIZE THE ISSUANCE OF NOT IN EXCESS OF TWENTY-FIVE MILLION DOLLARS BONDS OF THE STATE TO PROVIDE FUNDS, WITH OTHER AVAILABLE FUNDS, FOR THE CONSTRUCTION, IN PHASES IF DESIRABLE, OF PARKING GARAGES IN DOWNTOWN RALEIGH, SUCH AUTHORIZED BONDS TO BE ISSUED WITHOUT AN ELECTION DURING THE BIENNIUM ENDED JUNE 30, 1989, IN AN AMOUNT NOT IN EXCESS OF SUCH AUTHORIZED AMOUNT AND NOT IN EXCESS OF TWO-THIRDS OF THE AMOUNT BY WHICH THE STATE'S OUTSTANDING INDEBTEDNESS SHALL HAVE BEEN REDUCED DURING THE 1985-87 BIENNIUM.

The General Assembly of North Carolina enacts:

Section 1. *Short title.* This act shall be known and may be cited as the "Capital Improvement Legislative Bond Act of 1988."

Sec. 2. *Authorization of bonds.* The State Treasurer is hereby authorized, by and with the consent of the Council of State as hereinafter provided, to issue and sell at one time or from time to time in the biennium ending June 30, 1989, bonds of the State to be designated "State of North Carolina Capital Improvement Bonds" in an aggregate principal amount not to exceed twenty-five million dollars (\$25,000,000), said amount not being in excess of two-thirds of the amount by which the State's outstanding indebtedness was reduced during the biennium ended June 30, 1987, for the purpose of providing funds, together with any other funds made available therefor, for the construction, in phases if desirable, of a multi-level parking garage and related facilities in downtown Raleigh, located on property known as the Seaboard property immediately north of the Albemarle Building to provide off-street parking for State employees and visitors including, without limitation, a pedestrian plaza and bridge, providing access to Lane Street, and a walkway over Salisbury Street to and at the level of the government mall, landscaping and necessary equipment, a multi-level parking garage and related facilities in downtown Raleigh, located on property known as the Bicentennial Mall, not more than three million five hundred thousand dollars (\$3,500,000) of bond proceeds to be expended therefor, to provide off-street parking for State employees and visitors including, without limitation, landscaping, necessary equipment, and connections (herein collectively sometimes called the "project").

The proceeds of said bonds are hereby appropriated for the project, which appropriation shall be in addition to all other appropriations heretofore made or which may be made at the session of the General Assembly at which this act is ratified, and shall be expended and disbursed under the direction and supervision of the Director of the Budget.

The project must be so planned that its estimated cost will be within such limits that will allow the purchase of all needed equipment and provide drives, walks, grading and connections to all needed utilities so that when completed the facility may be fully utilized without requiring additional State funds. The proceeds of said bonds may be used to reimburse the State for any expenditures heretofore or hereafter made by the State for the project as advances in contemplation of reimbursement from the proceeds of said bonds.

Sec. 3. *Disbursement of proceeds.* The funds appropriated by Section 2 of this act shall be disbursed for the purposes provided in this act upon warrants drawn by the State Controller, which warrants shall not be drawn for any State department or agency until requisition has been approved by the Director of the Budget and which requisition

shall be approved only after full compliance with the Executive Budget Act, Article 1 of Chapter 143 of the General Statutes. Any additional moneys which may be received by means of a grant or grants from the United States of America or any agency or department thereof or from any other source to aid in financing the cost of the project may be placed by the State Treasurer in the same fund or in a separate fund and, to the extent permitted by the terms of such grant or grants, shall be disbursed in the same manner and for the purposes mentioned in this act.

Sec. 4. *Unexpended balance.* The appropriation made in this act shall be expended only for the project described in Section 2 of this act, and any unexpended balance of such appropriation shall revert to the General Fund of the State on June 30, 1991, or upon such later date, if any, as the State Controller may determine, or upon completion of the project if prior to June 30, 1991, or such later date.

Sec. 5. *Issuance of bonds and notes.* (a) *Terms and conditions.* The bonds shall bear such date or dates, shall be serial or term bonds, shall mature in such amounts and at such times, not exceeding 40 years from their date or dates, shall be payable at such place or places, either within or without the United States, in such coin or currency of the United States of America as at the time of payment is legal tender for payment of public and private debts, shall bear interest at such rate or rates, which may vary from time to time, and may be made redeemable before maturity, at the option of the State or otherwise as may be provided by the State, at such price or prices and under such terms and conditions, all as may be fixed by the State Treasurer with the consent of the Council of State.

(b) *Signatures; form and denomination; registration.* The bonds may be issued as certificated or uncertificated obligations. If issued as certificated obligations, the bonds shall be signed on behalf of the State by the Governor or shall bear his facsimile signature, shall be signed by the State Treasurer or shall bear his facsimile signature, and shall bear the Great Seal of the State or a facsimile thereof shall be impressed or imprinted thereon. If the bonds shall bear the facsimile signatures of the Governor and the State Treasurer, the bonds shall also bear a manual signature which may be that of a bond registrar, trustee, paying agent or designated assistant of the State Treasurer. Should any officer whose signature or facsimile signature appears on any bonds cease to be such officer before the delivery of the bonds, such signature or facsimile signature shall nevertheless have the same validity for all purposes as if the officer had remained in office until delivery and any bond may bear the facsimile signatures

of such persons who at the actual time of the execution of such bond shall be the proper officers to sign any bond although at the date of such bond such persons may not have been such officers. The form and denomination of the bonds, including the provisions with respect to registration of the bonds and any system for their registration, shall be as the State Treasurer may determine in conformity with this act; provided, however, that nothing in this act shall prohibit the State Treasurer from proceeding, with respect to the issuance and form of the bonds, under the provisions of the Registered Public Obligations Act as well as this act.

(c) *Manner of sale; expenses.* Subject to determination by the Council of State as to the manner in which the bonds shall be offered for sale, whether at public or private sale and whether within or without the United States and whether by publishing notices in certain newspapers and financial journals, mailing notices, inviting bids by correspondence, negotiating contracts of purchase or otherwise, the State Treasurer is authorized to sell the bonds at one time or from time to time at such price as the State Treasurer may determine to be in the best interests of the State, including a price less than the face amount of the bonds. All expenses incurred in the preparation, sale and issuance of the bonds and any notes shall be paid by the State Treasurer from the proceeds of any such bonds and notes or any other available moneys.

Nothing in this act shall restrict the use of any bond or note proceeds in payment of the cost of any bond insurance or bond credit and liquidity facilities employed in connection with such bonds or notes, including without limitation, letters of credit, lines of credit and standby bond purchase agreements.

(d) *Notes; repayment.*

- (1) By and with the consent of the Council of State, the State Treasurer is hereby authorized to borrow money at such rate or rates of interest as the State Treasurer may determine to be in the best interests of the State, which may vary from time to time, and to execute and issue notes of the State for the same, but only in the following circumstances and under the following conditions: (i) for anticipating the sale of any bonds to the issuance of which the Council of State shall have given consent, if the State Treasurer shall deem it advisable to postpone the issuance of such bonds; (ii) for the payment of interest upon or any installment of principal of any of the bonds then outstanding, if there shall not be sufficient funds in the State Treasury with which to pay the interest or installment of principal as they respectively

become due; (iii) for the renewal of any loan evidenced by notes herein authorized.

- (2) Funds derived from the sale of bonds may be used in the payment of any bond anticipation notes issued under this act. Funds provided by the General Assembly for the payment of interest on or principal of bonds shall be used in paying the interest on or principal of any notes and any renewals thereof, the proceeds of which shall have been used in paying interest on or principal of the bonds.

(e) *Refunding bonds and notes.* By an with the consent of the Council of State, the State Treasurer is authorized to issue and sell, pursuant to the provisions of the State Refunding Bond Act, bonds or notes for the purpose of refunding any bonds or notes issued pursuant to this act. Such refunding bonds or notes may be combined with other issues of State bonds or notes similarly secured.

(f) *Tax exemption.* All of the bonds and notes authorized by this act and their transfer (including any profit made on the sale thereof) shall be exempt from all State, county and municipal taxation or assessment, direct or indirect, general or special, whether imposed for the purpose of general revenue or otherwise, including inheritance and gift taxes, and the interest on the bonds and notes shall not be subject to taxation as to income, nor shall the bonds or notes be subject to taxation when constituting a part of the surplus of any bank, trust company or other corporation.

(g) *Investment eligibility.* Bonds or notes issued under the provisions of this act are hereby made securities in which all public officers, agencies and public bodies of the State and its political subdivisions, all insurance companies, trust companies, investment companies, banks, savings banks, building and loan associations, credit unions, pension or retirement funds, other financial institutions engaged in business in the State, executors, administrators, trustees and other fiduciaries may properly and legally invest funds, including capital in their control or belonging to them. Such bonds or notes are hereby made securities which may properly and legally be deposited with and received by any officer or agency of the state or political subdivision of the State for any purpose for which the deposit of bonds, notes or obligations of the State or any political subdivision is now or may hereafter be authorized by law.

(h) *Faith and Credit.* The faith and credit and taxing power of the State are hereby pledged for the payment of the principal of and the interest on the bonds and notes herein authorized.

Sec. 6. *Variable interest rates.* In fixing the details of bonds or notes, the State Treasurer may provide that any of the bonds or notes (i) may be made payable from time to time on demand or tender for purchase by the owner thereof provided a Credit Facility (as defined in this section) supports such bonds or notes, unless the State Treasurer specifically determines that a Credit Facility is not required upon a finding and determination by the State Treasurer that the absence of a Credit Facility will not materially and adversely affect the financial position of the State and the marketing of the bonds or notes at a reasonable interest cost to the State; (ii) may be additionally supported by a Credit Facility; (iii) may be made subject to redemption prior to maturity with such variations as may be permitted in connection with a Par Formula (as defined in this section); (iv) may bear interest at a rate or rates that may vary for such period or periods of time, all as may be provided in the proceedings providing for the issuance of such bonds or notes, including, without limitation, such variations as may be permitted pursuant to a Par Formula; and (v) may be made the subject of a remarketing agreement whereby an attempt is made to remarket the bonds or notes to new purchasers prior to their presentment for payment to the provider of the Credit Facility or to the State. As used in this section, the following terms shall have the following meanings:

"Credit Facility" means an agreement entered into by the State Treasurer on behalf of the State with a bank, savings and loan association or other banking institution, an insurance company, reinsurance company, surety company or other insurance institution, a corporation, investment banking firm or other investment institution, or any financial institution providing for prompt payment of all or any part of the principal (whether at maturity, presentment or tender for purchase, redemption or acceleration), redemption premium, if any, and interest on any bonds or notes payable on demand or tender by the owner, in consideration of the State agreeing to repay the provider of such Credit Facility in accordance with the terms and provisions of such agreement; the provider of any such Credit Facility may be located either within or without the United States.

"Par Formula" shall mean any provision or formula adopted by the State to provide for the adjustment, from time to time, of the interest rate or rates borne by any bonds or notes, including:

(a) a provision providing for such adjustment so that the purchase price of such bonds or notes in the open market would be as close to par as possible,

(b) a provision providing for such adjustment based upon a percentage or percentages of a prime rate or base rate, which percentage or percentages may vary or be applied for different periods

of time, or

(c) such other provision as the State Treasurer may determine to be consistent with this act and will not materially and adversely affect the financial position of the State and the marketing of the bonds or notes at a reasonable interest cost to the State.

If the aggregate principal amount repayable by the State under a related Credit Facility is in excess of the aggregate principal amount of bonds or notes secured by such related Credit Facility, whether as a result of the inclusion in the Credit Facility of a provision for the payment of interest for a limited period of time or the payment of a redemption premium or for any other reason, then the amount of authorized but unissued bonds or notes during the term of such Credit Facility shall not be less than the amount of such excess, unless the payment of such excess is otherwise provided for by agreement of the State executed by the State Treasurer.

Sec. 7. *Capital improvement bond fund of 1988.* The proceeds of sale of the bonds and the notes herein authorized, including premium thereon, if any, except the proceeds of bonds or notes the issuance of which has been anticipated by notes and the proceeds of which are to be used to retire such notes, shall be placed by the State Treasurer in a special fund known as the "Capital Improvement Bond Fund of 1988" and shall be disbursed as herein provided.

Sec. 8. *Interpretation of act.* (a) The foregoing sections of this act shall be deemed to provide an additional and alternative method for the doing of the things authorized thereby and shall be regarded as supplemental and additional to powers conferred by other laws, and shall not be regarded as in derogation of any powers now existing.

(b) This act, being necessary for the health and welfare of the people of the State, shall be liberally construed to effect the purposes thereof.

(c) Insofar as the provisions of this act are inconsistent with the provisions of any general laws, or parts thereof, the provisions of this act shall be controlling.

(d) If any provision of this act or the application thereof to any person or circumstance is held invalid, such invalidity shall not affect other provisions or applications of the act which can be given effect without the invalid provision or application, and to this end the provisions of this act are declared to be severable.

Sec. 9. *Repeal of obsolete authorization.* (a) Section 3 of Chapter 1062 of the 1983 Session Laws is repealed.

(b) Chapter 946 of the 1985 Session Laws is repealed.

Sec. 10. *Effective date.* This act shall become effective on ratification.

In the General Assembly read three times and ratified this the 5th

day of July, 1988.

H.B. 2461

CHAPTER 1049

AN ACT TO ADDRESS THE NURSING EMERGENCY WHICH IS
FACED BY NORTH CAROLINA.

The General Assembly of North Carolina enacts:

Section 1. *Existing scholarship and loan information consolidated and published.* (a) The State Education Assistance Authority of the Board of Governors of The University of North Carolina shall consolidate information on existing scholarships and loan programs available for nursing education. The information shall be published in a brochure and made available to high schools, colleges, Area Health Education Centers, and other facilities.

(b) There is appropriated from the General Fund to the Board of Governors of The University of North Carolina the sum of twenty thousand dollars (\$20,000) for the 1988-89 fiscal year for the State Education Assistance Authority to implement subsection (a) of this section.

Sec. 2. *Emergency Financial Assistance Fund.* (a) There is established an Emergency Financial Assistance Fund for students in State educational nursing and licensed practical nursing programs, to be administered by each campus. Emergency need is defined as acute financial need caused by a particular event which immediately and severely impacts a particular student's ability to continue his or her educational program in nursing on that student's current schedule. Allowable expenses, for emergency assistance, shall include funds for child care, transportation, housing, and medical care; and shall not be considered as an ongoing source of income for those expenses. Emergency assistance shall be limited to four hundred dollars (\$400.00) per academic year for any individual. The local Board of Trustees at each campus shall review quarterly the expenditures under this Fund, and the Department of Community Colleges and the Board of Governors of The University of North Carolina shall assess the Fund's impact on completion rates in these programs, and report their assessment to the General Assembly.

(b) There is appropriated from the General Fund to the Department of Community Colleges the sum of four hundred ten thousand dollars (\$410,000) for the 1988-89 fiscal year and there is appropriated from the General Fund to the Board of Governors of The University of North Carolina the sum of one hundred forty thousand dollars (\$140,000) for the 1988-89 fiscal year for the Emergency Financial Assistance Fund. These funds shall be allocated among the

institutions with nursing programs, based on policies adopted by the State Board of Community Colleges and the Board of Governors of The University of North Carolina.

Sec. 3. *Nursing licensing exam follow-up assistance.* The Board of Governors of The University of North Carolina shall direct the constituent institutions and the State Board of Community Colleges shall direct the Community Colleges to provide follow-up assistance for their students who fail the nursing licensing exam for the first time. This follow-up assistance shall include consultation with the Board of Nursing on areas needing improvement and shall include providing additional appropriate preparation assistance before the next exam date.

Sec. 4. *Drop-out exit surveys.* The Board of Governors of The University of North Carolina shall direct the constituent institutions and the State Board of Community Colleges shall direct the Community Colleges to conduct an exit survey of students who drop out of nursing programs to determine their reasons for leaving the programs. This survey data shall be reported to the Study Commission on Nursing along with recommendations on how to reduce the number of students who do not complete the nursing programs.

Sec. 5. *AHEC publicity program.* The Area Health Education Centers of The University of North Carolina and the Board of Nursing shall cooperate in developing publicity on:

- (1) New salary levels and job opportunities in nursing;
- (2) The availability of refresher courses; and
- (3) License renewal requirements for registered nurses whose licenses are not currently active.

This information shall be provided to nurses without a current license in an effort to attract them back into nursing practice.

Sec. 6. *AHEC nursing study.* The Area Health Education Centers Program of The University of North Carolina shall study nurses who leave their jobs, in order to provide data to the Legislative Study Commission on Nursing on the reasons nurses leave their jobs and if the nurses plan to continue practicing nursing in other jobs. This data shall be used by the Legislative Study Commission on Nursing to identify positive retention factors for nurses and to formulate strategies for changing work environments in order to attract nurses back into the profession.

Sec. 7. *Legislative Study Commission on Nursing.* (a) There is established the Legislative Study Commission on Nursing. The Commission shall be composed of four members of the Senate appointed by the President of the Senate and four members of the House of Representatives appointed by the Speaker of the House, and

six members of the public, three appointed by the Speaker of the House and three appointed by the President of the Senate. The Speaker of the House of Representatives and the President of the Senate shall each appoint one member as cochairman of the Commission. Members of the Commission shall receive per diem and travel allowances as authorized under G.S. 120-3.1 for members who are legislators and G.S. 138-5 for members who are not legislators.

(b) The Commission is charged to study the issues outlined below. The Commission shall make recommendations, including cost estimates, aimed at impacting the nursing shortage.

(c) The Commission shall make a final report of its recommendations to the General Assembly by April 1, 1989.

(d) The Commission may, with the approval of the Legislative Services Commission, meet in the State Legislative Building or the Legislative Office Building. The Commission will use the staff of the General Assembly to the extent authorized by the Legislative Services Commission. Clerical assistance will be furnished by the General Assembly. The Commission may enter into contracts, if needed, with consultants after obtaining permission from the Legislative Services Commission.

(e) The Commission shall study the following issues and other issues which relate to the shortage of nurses:

Education-Related Issues

- (1) The need for a merit scholarship program for nursing, modeled on the Teaching Fellows Program. If the Commission finds a need, it shall plan and develop a program for submission to the General Assembly. This shall be the Commission's top priority.
- (2) The need for need-based scholarship programs, loan programs, or other forms of financial assistance that would improve the number of students completing nursing education. If the Commission finds a need, it shall plan and develop a program for submission to the General Assembly.
- (3) The need for additional support services for nontraditional students going into nursing; such as counseling and peer tutors, in State-funded nursing programs.
- (4) The need to improve articulation for graduates of Associate Degree programs into Baccalaureate nursing programs in The University of North Carolina and private colleges.
- (5) The need to increase AHEC off-campus Baccalaureate nursing programs in rural areas.
- (6) The need for incentives or grants for employers to encourage nurses to participate in further education.

- (7) The need for the public schools to incorporate health occupations curricula into courses acceptable for meeting college entrance requirements.
- (8) The need for development of alternative teaching sites, such as nursing homes, for more exposure to students and for continuing education.

Retention-Related Issues

- (9) The need and feasibility for a Center for Excellence in Nursing, as an incentive and reward for excellence in direct patient care. The Center could be modeled on the Center for the Advancement of Teaching. The Commission may begin planning for such a Center, if it deems it appropriate.
- (10) A plan to develop a statewide media effort (in conjunction with schools, employers, and others) to further enhance the image of the nursing profession, showing its value and contributions to society.
- (11) The need for providing competitive grants to employers to develop innovative pilot programs to retain nurses in direct patient care services.
- (12) The development of information and strategies for improvement of the work environment for nurses. These may include many of the efforts already under study by various AHEC's, including:
 - a. Review of successful "magnet" hospital efforts,
 - b. Professional practice models,
 - c. Management and leadership training,
 - d. Internships, and
 - e. Consulting services for employers.
- (13) The need for regulation of nursing pools, including issues on responsibility for meeting certain minimum standards and certifying that credentials of nurses in the pool are adequate.

Recruitment-Related Issues

- (14) Ways to encourage students in the public schools, and in college, to enter health careers including a statewide recruitment strategy and enhancement of health career programs.
- (15) The development of innovative strategies for recruitment into the profession for service in rural and other shortage areas and strategies for recruitment from targeted groups such as persons beginning second careers, minorities, and persons in related fields. Some options that may be considered include nursing residencies in rural hospitals,

clinical settings in nursing homes, and incentive pay or bonuses for work in rural areas.

- (16) The need for an Office of Nursing and Allied Health as a central point for dissemination of information on these professions to students, professionals, employers, and others.

Salary-Related Issues

- (17) The applicability of cafeteria benefits options to the nursing shortage.
- (18) The impact of Medicaid reimbursement rates and rate setting methodology on the ability of employers to meet salary requirements of the nursing staff.
- (19) The need to develop a budget strategy to provide advance information to the General Assembly on funds required to pay for pending range revisions and other salary requirements caused by changing labor market conditions.

(f) The Commission shall monitor the implementation of a nurse aide registry as required by Federal PL 100-203. The Commission shall report to the General Assembly on the need for legislation, if any, to carry out the Federal requirements.

Sec. 8. There is appropriated from the General Fund to the General Assembly the sum of fifty thousand dollars (\$50,000) for the 1988-89 fiscal year for the operations of the Legislative Study Commission on Nursing created by Section 7 of this act.

Sec. 9. This act shall become effective July 1, 1988.

In the General Assembly read three times and ratified this the 5th day of July, 1988.

H.B. 2467

CHAPTER 1050

AN ACT TO COVER COUNTY FIRE MARSHALS AND EMERGENCY SERVICE COORDINATORS UNDER THE LAW ENFORCEMENT OFFICERS', FIREMEN'S, RESCUE SQUAD WORKERS', AND CIVIL AIR PATROL MEMBERS' DEATH BENEFITS ACT.

The General Assembly of North Carolina enacts:

Section 1. G.S. 143-166.2(d) reads as rewritten:

"(d) The term 'law-enforcement officer,' 'officer,' or 'fireman' shall mean all law-enforcement officers employed full-time by the State of North Carolina or any county or municipality thereof and all full-time custodial employees of the North Carolina Department of Correction and all full-time institutional and detention employees of the Division of Youth Services of the Department of Human

Resources. The term 'firemen' shall mean both 'eligible fireman'; or 'fireman' as defined in G.S. 118-23 and all full-time, permanent part-time and temporary employees of the North Carolina Division of Forest Resources, Department of Natural Resources and Community Development, during the time they are actively engaged in fire-fighting activities; and shall mean all full-time employees of the North Carolina Department of Insurance during the time they are actively engaged in fire-fighting activities, during the time they are training fire fighters or rescue squad workers, and during the time they are engaged in activities as members of the State Emergency Response Team, when the Team has been activated. The term 'rescue squad worker' shall mean a person who is dedicated to the purpose of alleviating human suffering and assisting anyone who is in difficulty or who is injured or becomes suddenly ill by providing the proper and efficient care or emergency medical services. In addition, this person must belong to an organized rescue squad which is eligible for membership in the North Carolina Association of Rescue Squads, Inc., and the person must have attended a minimum of 36 hours of training and meetings in the last calendar year. Each rescue squad belonging to the North Carolina Association of Rescue Squads, Inc., must file a roster of those members meeting the above requirements with the State Auditor on or about January 1 of each year, and this roster must be certified to by the secretary of said association. In addition, the term 'rescue squad worker' shall mean a member of an ambulance service certified by the Department of Human Resources pursuant to Article 26 of Chapter 130 of the General Statutes. The Department of Human Resources shall furnish a list of ambulance service members to the State Auditor on or about January 1 of each year. The term 'Civil Air Patrol members' shall mean those senior members of the North Carolina Wing-Civil Air Patrol 18 years of age or older and currently certified pursuant to G.S. 143B-491(a). The term 'fireman' shall also mean county fire marshals when engaged in the performance of their county duties. The term 'rescue squad worker' shall also mean county emergency services coordinators when engaged in the performance of their county duties."

Sec. 2. G.S.143-166.7 reads as rewritten:

" § 143-166.7. *Applicability of Article.*--The provisions of this Article shall apply and be in full force and effect with respect to any law-enforcement officer, fireman, rescue squad worker or senior Civil Air Patrol member killed in the line of duty on or after May 13, 1975. The provisions of this Article shall apply with respect to full-time, permanent part-time and temporary employees of North Carolina Division of Forest Resources, Department of Natural Resources and Community Development, killed in line of duty on or

after July 1, 1975. The provisions of this Article shall apply to county fire marshals and emergency services coordinators killed in the line of duty on and after July 1, 1988."

Sec. 3. This act shall become effective July 1, 1988.

In the General Assembly read three times and ratified this the 5th day of July, 1988.

H.B. 2650

CHAPTER 1051

AN ACT TO ESTABLISH THE REQUIREMENTS OF ELIGIBILITY FOR INTERMENT IN A STATE VETERANS CEMETERY.

The General Assembly of North Carolina enacts:

Section 1. Article 8A of Chapter 65 of the General Statutes is amended by adding the following sections:

" § 65-43. *Definitions.*--For purposes of this Article, the following definitions shall apply, unless the context requires otherwise:

(1) 'Honorable military service' means:

- a. Service on active duty, other than for training, as a member of the Armed Forces of the United States, when the service was terminated under honorable conditions;
- b. Service on active duty as a member of the Armed Forces of the United States at the time of death under honorable conditions;
- c. Service on active duty for training or full-time service as a member of the Reserve component of the Armed Forces, the Army National Guard, the Air National Guard, or the Reserve Officer Training Corps of the Army, Navy, or Air Force, at the time of death under honorable conditions.

(2) A 'legal resident' of a state means a person whose principle residence or abode is in that state, who uses that state to establish his right to vote and other rights in a state, and who intends to live in that state, to the exclusion of maintaining a legal residence in any other state.

(3) A 'qualified veteran' means a veteran:

- a. Who served an honorable military service; and
- b. Who is a legal resident of North Carolina:
 - (1) At the time of death, or
 - (2) For a period of at least 10 years, or
 - (3) At the time he entered the Armed Forces of the United States.

" § 65-43.1. *Eligibility for interment in a State veterans cemetery.*--(a) The following persons are eligible for interment at a State veterans

cemetery:

- (1) A qualified veteran;
- (2) The spouse, widow, or widower of a qualified veteran, or a minor child who is unmarried and dependent on the qualified veteran at the time of his death; and
- (3) An unmarried adult child of a qualified veteran when the child became permanently incapable of self-support because of a physical or mental disability before attaining the age of 18 years.

(b) Only one grave site is authorized for a qualified veteran and his eligible family members. A grave site may not be reserved until the death of a person who is eligible for interment. When a death occurs and the deceased is determined to be eligible for interment in a State veterans cemetery pursuant to subsection (b) of this section, a grave site shall be assigned in the name of the veteran.

(c) When an eligible family member dies before the qualified veteran dies, the veteran shall sign an agreement to be interred in the same plot with the family member before the deceased family member is interred in the veterans cemetery.

" § 65-43.2. *Proof of eligibility.*--(a) The veteran, his survivors, or his legal representative shall furnish any evidence necessary to establish the eligibility of the veteran or the family member before the veteran or eligible family member may be interred in a State veterans cemetery.

(b) The survivors or legal representative of the deceased shall notify the funeral director that the deceased is to be interred in a veterans cemetery. The survivor or legal representative shall furnish the funeral director with documentary evidence of the veteran's honorable military service and evidence to establish that the veteran is a legal resident of North Carolina. The funeral director shall notify the superintendent of the nearest State veterans cemetery to arrange for the interment and convey to the superintendent all evidence to establish the veteran's eligibility.

" § 65-43.3. *Bars to eligibility.*--(a) A veteran may not be interred in a State veterans cemetery under any of the following circumstances:

- (1) He was discharged or dismissed on the grounds that:
 - a. He was a conscientious objector who refused to perform military duty;
 - b. He was a deserter; or
 - c. He was an officer who accepted his resignation for the good of the service;
- (2) He was convicted of subversive activities against the United States after separation from active military service; or
- (3) He was separated from the Armed Forces of the United

States for the good of the service due to a willful and persistent unauthorized absence and issued a Clemency Discharge (DD Form 1953) pursuant to Presidential Proclamation No. 4313.

" § 65-43.4. *Disinterment.*--(a) When a veteran fails to abide by his agreement to be interred in the same grave site as his previously interred eligible family member, the veteran, his legal representative, or his heirs shall have the remains of the family member removed from the cemetery at no cost to the State.

(b) A disinterment may be permitted, at no cost to the State, when the following conditions are satisfied:

- (1) The disinterment is requested in writing and filed with the Program Director of the veterans cemeteries, the Assistant Secretary for Veterans Affairs, or the Division of Veterans Affairs;
- (2) The request for disinterment contains the notarized signature of the nearest of kin, such as surviving spouse. If the spouse is deceased, the signatures of a majority of the surviving children of legal age will be required;
- (3) The funeral director has obtained all necessary permits for disinterment.

" § 65-43.5. *Reinterment.*--(a) The remains of a qualified veteran or the remains of an eligible family member may be moved to a State veterans cemetery for reinterment, at no cost to the State, when the following conditions are satisfied:

- (1) The superintendent of the State veterans cemetery has been presented with proof of eligibility in accordance with G.S. 65-43.2;
- (2) The reinterment is requested in writing and filed with the Program Manager of veterans cemeteries, the Assistant Secretary for Veterans Affairs, or the Division of Veterans Affairs; and
- (3) The request for reinterment contains the notarized signatures of the veteran or his legal representative, all living immediate family members, and any other interested living family member;
- (4) The request for reinterment contains a statement of the circumstances and reasons for reinterment; and
- (5) The funeral director has obtained all necessary permits for reinterment.

(b) If permission for reinterment is granted, an agreement shall be entered into between the veteran or his living representative, all living immediate family members, and any interested living family members, and the Assistant Secretary of Veterans Affairs.

" § 65-43.6. *State veterans cemeteries cost.*--(a) There may be no charge for the grave site or the interment service of a qualified veteran. There may be a minimal charge, to be set by the Division of Veteran Affairs, for only the opening and closing of the grave of an eligible family member.

(b) All other costs, including funeral expenses and costs of the headstone, transportation of the remains, or grave liner or burial vault shall be paid out of allowances by the Veterans Administration or private funds.

(c) All costs resulting from damage to, or destruction or theft of a grave site, headstone, or any other grave monument may not be borne by the State."

Sec. 2. This act shall become effective October 1, 1988.

In the General Assembly read three times and ratified this the 5th day of July, 1988.

H.B. 2651

CHAPTER 1052

AN ACT TO CORRECT THE DATES FOR PHASE-IN OF THE MODIFIED SYSTEM FOR ADJUSTING THE ASSESSMENT LEVEL OF PUBLIC SERVICE COMPANY SYSTEM PROPERTY.

The General Assembly of North Carolina enacts:

Section 1. Effective January 1, 1988, Section 5 of Chapter 601 of the 1985 Session Laws reads as rewritten:

"Sec. 5. Sections 1 and 3 of this act shall become effective January 1, ~~1987~~ 1987; provided that as to any public service company whose property values in a county are adjusted in the third year after the year of reappraisal of real property in the county pursuant to G.S. 105-342(c) and whose property values in the same county are adjusted in the following year pursuant to Section 1 of this act, a county shall be entitled in such following year to increase the property values of the public service company certified to the county by the Department of Revenue by the same amount as the public service company property values were reduced the preceding year pursuant to G.S. 105-342(c). Sections 2 and 5 are effective upon ratification. Section 4 shall become effective in each county as of January 1 of the year in which sales assessment ratio studies are first required to be conducted in the county by the Department of Revenue under Section 1."

Sec. 2. This act shall become effective January 1, 1988, and applies to counties in which there has been a reduction of the assessed value of public service company property under G.S. 105-342(c) for taxable years beginning on or after January 1, 1987.

In the General Assembly read three times and ratified this the 5th day of July, 1988.

H.B. 2659

CHAPTER 1053

AN ACT TO EXTEND THE REVIEW OF CERTAIN EXISTING RULES.

The General Assembly of North Carolina enacts:

Section 1. G.S. 150B-59(c) as amended by Section 18.1 of Chapter 1036, Session Laws of 1987, is amended by deleting "shall remain in effect until July 5, 1988. These rules are repealed effective July 6, 1988", and substituting "shall remain in effect until July 15, 1988. These rules are repealed effective July 16, 1988".

Sec. 2. This act is effective upon ratification.

In the General Assembly read three times and ratified this the 5th day of July, 1988.

S.B. 1847

CHAPTER 1054

AN ACT TO APPOINT PERSONS TO VARIOUS PUBLIC OFFICES UPON THE RECOMMENDATION OF THE PRESIDENT PRO TEMPORE OF THE SENATE.

Whereas, G.S. 120-121 authorizes the General Assembly to make certain appointments to public offices upon the recommendation of the President Pro Tempore of the Senate; and

Whereas, the President Pro Tempore of the Senate has made recommendations; Now, therefore,

The General Assembly of North Carolina enacts:

Section 1. James H. Edwards of Caldwell County is appointed to the Private Protective Services Board for a term to expire on June 30, 1990.

Sec. 3. The appointment made under this act is for a term to begin on July 1, 1988.

Sec. 4. This act is effective upon ratification.

In the General Assembly read three times and ratified this the 6th day of July, 1988.

H.B. 1130

CHAPTER 1055

AN ACT TO PROVIDE THAT ANABOLIC STEROIDS ARE INCLUDED AS A CONTROLLED SUBSTANCE.

The General Assembly of North Carolina enacts:

Section 1. G.S. 90-91 is amended by adding a new subsection to the end to read:

"(k) Any anabolic steroids, unless dispensed with a prescription by a registered pharmacist. The term 'anabolic steroid' means any material, compound, mixture, or preparation containing an anabolic steroid, including, but not limited to, the following:

- (1) methandrostenolone,
- (2) stanozolol,
- (3) ethylestrenol,
- (4) nandrolone phenpropionate,
- (5) nandrolone deconoate,
- (6) testosterone propionate, and
- (7) chorionic gonadotropin."

Sec. 2. This act shall become effective October 1, 1988, and shall apply to offenses occurring on or after that date.

In the General Assembly read three times and ratified this the 6th day of July, 1988.

H.B. 2215

CHAPTER 1056

AN ACT TO DIVIDE DISTRICT COURT DISTRICTS 12 AND 16 AND PROSECUTORIAL DISTRICTS 12 AND 16 INTO DISTRICTS 12, 16A, AND 16B ON SAME WHOLE-COUNTY BASIS AS SUPERIOR COURT DISTRICTS 12 AND 16 WERE DIVIDED IN 1987, DIVIDE DEFENDER DISTRICT 3 INTO DISTRICT 3A AND 3B SIMILARLY, EXTEND THE PUBLIC DEFENDER SYSTEM TO DISTRICTS 16A AND 16B, ADD A DISTRICT COURT JUDGE IN DISTRICT 16A, MAKE NECESSARY CONFORMING CHANGES AND PROVIDE SOURCES OF FUNDS FOR SUCH PURPOSES, ADD A SUPERIOR COURT JUDGE IN SUPERIOR COURT DISTRICT 16B, AND RESTATE THE RULE CONCERNING SENIORITY IF TWO JUDGES QUALIFY ON THE SAME DAY.

The General Assembly of North Carolina enacts:

Section 1. Effective upon ratification for election purposes, and effective January 1, 1989, for all other purposes, G.S. 7A-60 reads as rewritten:

" § 7A-60. *District attorneys and prosecutorial districts.*--(a) ~~Except as provided in subsection (b), effective January 1, 1971, the~~ The State shall be divided into prosecutorial districts, as shown in subsection (a1) of this section. ~~In the general election of November 1970, a district attorney shall be elected for a four-year term~~ There shall be a

district attorney for each prosecutorial district, as provided in subsections (b) and (c) of this section who ~~each prosecutorial district.~~ ~~The district attorney shall be a resident of the prosecutorial district for which elected, and shall take office on January 1 following the election.~~ A vacancy in the office of district attorney shall be filled as provided in Article IV, Sec. 19 of the Constitution.

(a1) The counties of the State are organized into prosecutorial districts, and each district has the counties and the number of full-time assistant district attorneys set forth in the following table:

Judicial District	Counties	No. of Full-Time Asst. District Attorneys
1	Camden, Chowan, Currituck, Dare, Gates, Pasquotank, Perquimans	5
2	Beaufort, Hyde, Martin, Tyrrell, Washington	4
3A	Pitt	4
3B	Carteret, Craven, Pamlico	4
4	Duplin, Jones, Onslow, Sampson	8
5	New Hanover, Pender	7
6	Bertie, Halifax, Hertford, Northampton	4
7	Edgecombe, Nash, Wilson	7
8	Greene, Lenoir, Wayne	8
9	Franklin, Granville, Person, Vance, Warren	6
10	Wake	15
11	Harnett, Johnston, Lee	6
12	Cumberland, Hoke	12
<u>12</u>	<u>Cumberland</u>	<u>11</u>
13	Bladen, Brunswick, Columbus	5
14	Durham	8
15A	Alamance	3
15B	Orange, Chatham	3
16	Robeson, Scotland	7
<u>16A</u>	<u>Scotland, Hoke</u>	<u>none</u>
<u>16B</u>	<u>Robeson</u>	<u>7</u>
<u>17A</u>	<u>Caswell, Rockingham</u>	<u>3</u>
17B	Stokes, Surry	3

18	Guilford	14
19A	Cabarrus, Rowan	5
19B	Montgomery, Randolph	3
20	Anson, Moore, Richmond, Stanly, Union	8
21	Forsyth	9
22	Alexander, Davidson, Davie, Iredell	7
23	Alleghany, Ashe, Wilkes, Yadkin	3
24	Avery, Madison, Mitchell, Watauga, Yancey	3
25	Burke, Caldwell, Catawba	8
26	Mecklenburg	19
27A	Gaston	6
27B	Cleveland, Lincoln	4
28	Buncombe	5
29	Henderson, McDowell, Polk, Rutherford, Transylvania	6
30	Cherokee, Clay, Graham, Haywood, Jackson, Macon, Swain.	5

~~(b) Effective July 1, 1975, the twenty-seventh prosecutorial district is divided into two prosecutorial districts, to be known as Prosecutorial Districts 27-A and 27-B. District 27-A shall consist of Gaston County, and District 27-B shall consist of Cleveland and Lincoln Counties. The current district attorney of the twenty-seventh prosecutorial district shall become the district attorney of Prosecutorial District 27-B, and the senior regular resident superior court judge shall appoint a district attorney for Prosecutorial District 27-A. The appointee shall serve until January 1, 1977, and his successor shall be chosen in the general election of November, 1976. The successor shall serve for the remainder of the term expiring December 31, 1978.~~

~~Effective July 15, 1977, the fifteenth prosecutorial district is divided into two prosecutorial districts, to be known as Prosecutorial Districts 15A and 15B. District 15A shall consist of Alamance County, and District 15B shall consist of Orange and Chatham Counties. The current district attorney of the fifteenth prosecutorial district shall become the district attorney for Prosecutorial District 15A, and the Governor shall appoint a district attorney for Prosecutorial District 15B. The appointee shall serve until January 1, 1979, and his successor shall be chosen in the general election of November 1978, to serve a four-year term beginning January 1, 1979.~~

~~Effective January 1, 1979, the nineteenth prosecutorial district is divided into two prosecutorial districts, to be known as Prosecutorial Districts 19A and 19B. District 19A shall consist of Cabarrus and Rowan Counties, and District 19B shall consist of Montgomery and Randolph Counties. The current district attorney of the nineteenth prosecutorial district shall become the district attorney for Prosecutorial District 19A, and the Governor shall appoint a district attorney for Prosecutorial District 19B. The appointee shall serve until January 1, 1981, and his successor shall be chosen in the general election of November 1980, to serve a four-year term beginning January 1, 1981.~~

~~Effective October 1, 1981, the third prosecutorial district is divided into two prosecutorial districts, to be known as Prosecutorial Districts 3A and 3B. District 3A shall consist of Pitt County, and District 3B shall consist of Craven, Carteret and Pamlico Counties. The current district attorney of the third prosecutorial district shall become the district attorney for Prosecutorial District 3A. The Governor shall appoint a district attorney for Prosecutorial District 3B. The appointee shall serve until January 1, 1983, and his successor shall be chosen in the general election of November 1982, to serve a four-year term beginning January 1, 1983.~~

~~Effective September 1, 1981, the seventeenth prosecutorial district is divided into two prosecutorial districts, to be known as Prosecutorial Districts 17A and 17B. District 17A shall consist of Caswell and Rockingham Counties, and District 17B shall consist of Stokes and Surry Counties. The current district attorney of the seventeenth prosecutorial district shall become the district attorney for Prosecutorial District 17B. A new district attorney position is created by this act for Prosecutorial District 17A and shall be filled by appointment by the Governor. The appointee shall serve until January 1, 1983, and his successor shall be chosen in the general election of November, 1982, to serve a four-year term beginning January 1, 1983.~~

Except as provided in subsection (c) of this section, each district attorney for a prosecutorial district as defined in subsection (a1) of this section, other than District 19B, who is in office on December 31, 1988, shall continue in office for that prosecutorial district, for a term expiring December 31, 1990. In the general election of 1990, and every four years thereafter, a district attorney shall be elected for a four-year term for each prosecutorial district other than Districts 16A and 19B, and shall take office on the January 1 following such election. The district attorney for Prosecutorial District 19B, who is elected in the general election of 1988 for a four-year term beginning

January 1, 1989, shall serve that term for Prosecutorial District 19B. In the general election of 1992, and every four years thereafter, a district attorney shall be elected for a four-year term for Prosecutorial Districts 16A and 19B and shall take office on the January 1 following such election.

(c) The office and term of the district attorney for Prosecutorial District 12 formerly consisting of Cumberland and Hoke Counties are allocated to Prosecutorial District 12 as defined by subsection (a1) of this section. The office and the term of the district attorney for former Prosecutorial District 16 consisting of Robeson and Scotland Counties are allocated to Prosecutorial District 16B as defined by subsection (a1) of this section. The initial district attorney for Prosecutorial District 16A as defined in subsection (a1) of this section shall be elected in the general election of November 1988, from nominations made in accordance with G.S. 163-114 as if a vacancy had occurred in nomination, and shall serve an initial term expiring December 31, 1992. In all other respects, subsection (b) of this section shall apply to the district attorneys for Prosecutorial Districts 12, 16A, and 16B to the same extent as all other district attorneys."

Sec. 2. Of the funds available to the Judicial Department for fiscal year 1988-89, the sum of forty-six thousand eight hundred eleven dollars (\$46,811) shall be used for the salary and benefits of the chief district court judge for district court district 16A, for the salary and benefits of the district attorney and the administrative assistant for the district attorney for Prosecutorial District 16A, and for other start-up costs of that district attorney's office.

Sec. 3. To the extent that the district attorney for Prosecutorial District 16A may, between January 1, 1989, and June 30, 1989, need the assistance of other attorneys to keep the dockets of the superior and district courts of that district reasonably current, that assistance shall be supplied by the Administrative Officer of the Courts pursuant to G.S. 7A-64.

Sec. 4. Effective January 1, 1989, but subject to Sections 5 and 6 of this act, G.S. 7A-133 reads as rewritten:

" § 7A-133. Numbers of judges by districts; numbers of magistrates and additional seats of court, by counties.--Each district court district shall have the numbers of judges and each county within the district shall have the numbers of magistrates and additional seats of court, as set forth in the following table:

District	Judges	County	Additional Magistrates Min.-Max.		Seats of Court
1	3	Camden	1	2	
		Chowan	2	3	
		Currituck	1	2	
		Dare	3	5	
		Gates	2	3	
		Pasquotank	3	4	
		Perquimans	2	3	
2	3	Martin	5	8	
		Beaufort	4	5	
		Tyrrell	1	2	
		Hyde	2	4	
		Washington	3	4	
3	7	Craven	7	10	
		Pitt	10	12	Farmville, Ayden
		Pamlico	2	3	
4	5	Carteret	5	8	
		Sampson	6	8	
		Duplin	9	11	
		Jones	2	3	
		Onslow	8	11	
5	5	New Hanover	6	10	
		Pender	4	6	
6	3	Northampton	5	6	
		Halifax	9	14	Roanoke Rapids, Scotland Neck
		Bertie	4	5	
7	5	Hertford	5	6	
		Nash	7	10	Rocky Mount
		Edgecombe	4	6	Rocky Mount
		Wilson	4	6	
8	5	Wayne	5	8	Mount Olive
		Greene	2	4	
		Lenoir	4	7	La Grange
9	4	Person	3	4	
		Granville	3	7	
		Vance	3	5	
		Warren	3	4	
		Franklin	3	6	

CHAPTER 1056

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10	10	Wake	12	17	Apex, Wendell, Fuquay-Varina, Wake Forest
11	5	Harnett	7	11	Dunn
		Johnston	10	12	Benson and Selma
		Lee	4	6	
12	6	Cumberland	10	17	
		Hoke	4	5	
<u>12</u>	<u>5</u>	<u>Cumberland</u>	<u>10</u>	<u>17</u>	
<u>13</u>	<u>4</u>	<u>Bladen</u>	<u>4</u>	<u>6</u>	
		Brunswick	4	7	
		Columbus	6	8	Tabor City
14	5	Durham	8	12	
15A	3	Alamance	7	9	Burlington
15B	3	Orange	4	8	Chapel Hill
		Chatham	3	6	Siler City
16	5	Robeson	8	16	Fairmont, Maxton, Pembroke, Red Springs, Rowland, St. Pauls
		Scotland	3	5	
<u>16A</u>	<u>2</u>	<u>Scotland</u>	<u>3</u>	<u>5</u>	
		<u>Hoke</u>	<u>4</u>	<u>5</u>	
<u>16B</u>	<u>5</u>	<u>Robeson</u>	<u>8</u>	<u>16</u>	<u>Fairmont, Maxton, Pembroke, Red Springs, Rowland, St. Pauls</u>
17A	3	Caswell	2	5	
		Rockingham	4	9	Reidsville, Eden, Madison
17B	2	Stokes	2	4	
		Surry	5	8	Mt. Airy
18	9	Guilford	20	26	High Point
19A	4	Cabarrus	5	9	Kannapolis
		Rowan	5	10	
19B	3	Montgomery	2	4	
		Randolph	5	8	Liberty

20	5	Stanly	5	6	
		Union	4	6	
		Anson	4	5	
		Richmond	5	6	Hamlet
		Moore	5	8	Southern Pines
21	7	Forsyth	3	15	Kernersville
22	5	Alexander	2	3	
		Davidson	7	10	Thomasville
		Davie	2	3	
		Iredell	4	8	Mooresville
23	3	Alleghany	1	2	
		Ashe	3	4	
		Wilkes	4	6	
		Yadkin	3	5	
24	3	Avery	3	4	
		Madison	4	5	
		Mitchell	3	4	
		Watauga	4	6	
		Yancey	2	4	
25	6	Burke	4	7	
		Caldwell	4	7	
		Catawba	6	9	Hickory
26	12	Mecklenburg	15	26	
27A	5	Gaston	11	20	
27B	3	Cleveland	5	8	
		Lincoln	4	6	
28	4	Buncombe	6	15	
29	4	Henderson	4	6	
		McDowell	3	4	
		Polk	3	4	
		Rutherford	6	8	
		Transylvania	2	4	
30	3	Cherokee	3	4	
		Clay	1	2	
		Graham	2	3	
		Haywood	5	7	Canton
		Jackson	3	4	
		Macon	3	4	
		Swain	2	3"	

Sec. 5. Effective January 1, 1989, the district court judgeships in District Court Districts 12 and 16, as constituted on the effective date of this act, are allocated as follows:

(1) The district court judgeships held on May 11, 1988, in

District Court District 12 by judges who are residents of Cumberland County (Sol G. Cherry, Lacy S. Hair, Anna Elizabeth Keever, Patricia Ann Timmons-Goodson, and John Hair) are allocated to District Court District 12. Any vacancy in any of these judgeships which occurs before January 1, 1989, shall be filled by a resident of Cumberland County.

(2) The district court judgeship held on May 11, 1988, in District Court District 12 by a resident of Hoke County (Warren L. Pate) is allocated to District Court District 16A. Any vacancy in this judgeship which occurs before January 1, 1989, shall be filled by a resident of Hoke County.

(3) The district court judgeships which, on May 11, 1988, were held in District Court District 16 by residents of Robeson County, or for which all candidates for a term beginning in December who had qualified for ballot access as of May 11, 1988, are residents of Robeson County, and the new judgeships for District Court District 16 created by Section 126(a) of Chapter 738 of the Session Laws of 1987, are allocated to District Court District 16B. Any vacancy in any of these judgeships, or among the candidates for any of these, which occurs before January 1, 1989, shall be filled by a resident of Robeson County.

Sec. 6. The other district court judgeship for District Court District 16A, as provided for in Section 4 of this act, shall become effective July 1, 1989. The judgeship shall be filled, to the extent applicable, in the manner provided for in G.S. 7A-142, as amended by subsection (g) of this section. The relevant date under the last sentence of G.S. 7A-142 shall be May 1, 1989. The initial term of office shall expire on the first day of December 1990, and a successor shall be elected in 1990 for a four-year term.

Sec. 7. If House Bill 2216, 1987 Session is enacted, Section 16 of that act, which amends G.S. 7A-142, is repealed. In any case, effective January 1, 1989, G.S. 7A-142 reads as rewritten:

" § 7A-142. *Vacancies in office.*--A vacancy in the office of district judge shall be filled for the unexpired term by appointment of the Governor from nominations submitted by the bar of the judicial district as defined in G.S. 84-19. If the district court district is comprised of counties in more than one judicial district, the nominees shall be submitted jointly by the bars of those judicial districts, but only those members who reside in the district court district shall participate in the selection of the nominees. If the district court judge was elected as the nominee of a political party, then the district bar shall submit to the Governor the names of three persons who are residents of the district court district who are duly authorized to practice law in the district and who are members of the same political

party as the vacating judge; provided that if there are not three persons who are available, the bar shall submit the names of two persons who meet the qualifications of this sentence. Within 60 days after the district bar submits nominations for a vacancy, the Governor shall appoint to fill the vacancy. If the district bar fails to submit nominations within 30 days from the date the vacancy occurs, the Governor may appoint to fill the vacancy without waiting for nominations."

Sec. 8. Effective January 1, 1989, G.S. 7A-465 reads as rewritten:

"§ 7A-465. *Public defender; defender districts; qualifications; compensation.*--~~The office of public defender is established, effective January 1, 1970, in the following judicial districts: the twelfth and the eighteenth.~~

~~The office of public defender is established, effective July 1, 1973, in the twenty-eighth judicial district.~~

~~The office of public defender is established, effective July 1, 1975, in the twenty-sixth and twenty-seventh judicial districts. Effective July 1, 1978, the twenty-seventh judicial district is divided into judicial districts 27A and 27B. On that date the current public defender of the twenty-seventh district shall become the public defender for district 27A.~~

~~Effective January 1, 1981, the office of public defender is established in the third judicial district.~~

~~Effective June 1, 1983, the office of public defender is established in judicial district 15B.~~

(a) The following counties of the State are organized into the defender districts listed below and in each of those defender districts an office of public defender is established effective January 1, 1989:

<u>Defender</u>	<u>Counties</u>
<u>District</u>	
<u>3A</u>	<u>Pitt</u>
<u>3B</u>	<u>Carteret</u>
<u>12</u>	<u>Cumberland</u>
<u>15B</u>	<u>Orange, Chatham</u>
<u>16A</u>	<u>Scotland, Hoke</u>
<u>16B</u>	<u>Robeson</u>
<u>18</u>	<u>Guilford</u>
<u>26</u>	<u>Mecklenburg</u>
<u>27A</u>	<u>Gaston</u>
<u>28</u>	<u>Buncombe</u>

Provided that the effective date of the establishment of the office of public defender in Defender District 16B shall be the date that a superior court judge for Superior Court District 16B, other than the

judge holding the judgeship for that district established by Chapter 509, Session Laws of 1987, takes office.

(b) The public defender shall be an attorney licensed to practice law in North Carolina, and shall devote his full time to the duties of his office.

In lieu of merit and other increment raises paid to regular State employees, a public defender shall receive as longevity pay an amount equal to four and eight-tenths percent (4.8%) of the annual salary set forth in the Current Operations Appropriations Act payable monthly after five years of service, nine and six-tenths percent (9.6%) after 10 years of service, fourteen and four-tenths percent (14.4%) after 15 years of service, and nineteen and two-tenths percent (19.2%) after 20 years of service. 'Service' means service as a public defender."

Sec. 9. Effective January 1, 1989, G.S. 7A-465 is amended by adding a new subsection to read:

"(a) The public defender for each of the above defender districts shall represent indigents and otherwise perform all other duties of a public defender in the district and superior courts of the counties included in his defender district."

Sec. 10. Effective January 1, 1989, G.S. 7A-466 reads as rewritten:

"§ 7A-466. ~~Selection of defender; term; Term of defender; selection; removal.~~-(a) Except as provided in subsection (b) of this section, the term of office of each public defender is for four years, beginning on the date specified in subsection (b) or (c) of this section, and quadrennially thereafter.

(b) The public defender for each of the judicial districts listed below, as constituted on December 31, 1988, who is in office on that date, shall become the public defender for the defender district listed opposite that judicial district. The term of each such defender shall end on the date indicated and a new term shall begin on the following day.

<u>Judicial District as of 12/31/88</u>	<u>Defender District</u>	<u>Term Ends</u>
<u>12</u>	<u>12</u>	<u>December 31, 1989</u>
<u>15B</u>	<u>15B</u>	<u>May 31, 1991</u>
<u>18</u>	<u>18</u>	<u>June 30, 1991</u>
<u>26</u>	<u>26</u>	<u>June 30, 1991</u>
<u>27A</u>	<u>27A</u>	<u>June 30, 1991</u>
<u>28</u>	<u>28</u>	<u>June 30, 1989.</u>

(c) The terms of the public defenders for Defender Districts 3A, 3B, and 16A shall begin on January 1, 1989. The term of the public defender for defender district 16B shall begin upon the appointment of

the initial public defender for that district.

(d) Except in Defender District 16B, for each new term beginning on or after January 1, 1989, and to fill any vacancy, the Appointment. -- The public defender of each for a defender district shall be appointed by the senior resident superior court judge of that district from a list of not less than two and not more than three names nominated by written ballot of the attorneys resident in the defender district who are licensed to practice law in North Carolina. The balloting shall be conducted pursuant to regulations promulgated by the Administrative Office of the Courts. The appointment shall be made by the senior resident superior court judge of the superior court district or set of districts as defined in G.S. 7A-44.1 which includes the county or counties of the defender district for which the public defender is being appointed.

(e) In Defender District 16B, for each new term beginning on or after January 1, 1989, and to fill any vacancy, the public defender for a defender district shall be appointed from a list of not less than three names nominated by written ballot of the attorneys resident in the defender district who are licensed to practice law in North Carolina. The balloting shall be conducted pursuant to regulations promulgated by the Administrative Office of the Courts. The appointment shall be made by the resident superior court judge of superior court district 16B other than the senior resident superior court judge.

(b) Term; Vacancy; Removal. -- The terms of office of the public defenders authorized in G.S. 7A-465 are for four years, beginning on the dates specified in that section for each district, and each fourth year thereafter. A vacancy in the office of public defender is filled for the unexpired term as set forth in subsection (a).

(f) A public defender or assistant public defender may be suspended or removed from office, and reinstated, for the same causes and under the same procedures as are applicable to removal of a district attorney."

Sec. 11. Effective January 1, 1989, G.S. 7A-467 reads as rewritten:

"§ 7A-467. *Assistant defenders; assigned counsel.*--Each public defender is entitled to ~~at least one full-time assistant public defender, and to such additional assistants~~ such assistant public defenders and investigators, full-time or part-time, as may be authorized by the Administrative Office of the Courts. Assistants and investigators are appointed by the public defender and serve at his pleasure. Compensation of assistants shall be as provided in the biennial Current Operations Appropriations Act. The Administrative Officer of the Courts shall fix the compensation of each investigator. Assistants and investigators shall perform such duties as may be assigned by the

public defender.

A member of the district bar of any judicial district as defined in G.S. 84-19, all or part of which includes or is included in a defender district, who resides or regularly practices in that district and who consents to such service may be assigned by the public defender to represent an indigent person, ~~person, and when so assigned is entitled to the services of the defender's office to the same extent as a full-time public defender. In assigning assistant defenders and members of the bar generally the defender shall consider the nature of the case and the skill of counsel, to the end that all indigent persons are adequately represented.~~ If In addition, if a conflict of interests prohibits the public defender from representing an indigent person, or in unusual circumstances when, in the opinion of the court the proper administration of justice requires it, the court may assign any member of the district bar to represent an indigent ~~person, person, and when so assigned, counsel.~~ Any attorney assigned under this subsection is entitled to the services of the defender's office to the same extent as counsel assigned by the public defender.

(c) In assigning assistant defenders and members of the bar generally the defender shall consider the nature of the case and the skill of counsel, to the end that all indigent persons are adequately represented. Members of the bar assigned by the defender or by the court are compensated in the same manner as assigned counsel are compensated in districts which do not have a public defender.

(d) In lieu of merit and other increment raises paid to regular State employees, an assistant public defender shall receive as longevity pay an amount equal to four and eight-tenths percent (4.8%) of the annual salary set forth in the Current Operations Appropriations Act payable monthly after five years of service, nine and six-tenths percent (9.6%) after 10 years of service, and fourteen and four-tenths percent (14.4%) after 15 years of service. 'Service' means service as an assistant public defender."

Sec. 12. Of the funds appropriated to the Indigent Persons Attorney Fee Fund in the Judicial Department, the Administrative Office of the Courts may use in fiscal year 1988-89 the sum of:

- (1) Two hundred twelve thousand seven hundred twenty-one dollars (\$212,721) for salaries, benefits, and related expenses for the office of public defender which is established for Defender District 16B on January 1, 1989, or as soon thereafter as the additional superior court judge authorized for Superior Court District 16B by this act takes office; and
- (2) One hundred twenty-one thousand eight hundred forty dollars (\$121,840) for salaries, benefits, and related

expenses for the office of public defender which is established for Defender District 16A effective January 1, 1989.

Sec. 13. Effective January 1, 1989, G.S. 7A-468 is repealed.

Sec. 14. Effective January 1, 1989, G.S. 7A-41(a), as rewritten by Section 1 of Chapter 509, Session Laws of 1987, reads as rewritten:

"(a) The counties of the State are organized into judicial divisions and judicial districts, and each district has the counties, and the number of regular resident superior court judges set forth in the following table, and for districts of less than a whole county, as set out in subsection (b) of this section:

Judicial Division	Judicial District	Counties	No. of Resident Judges	
First	1	Camden, Chowan, Currituck, Dare, Gates, Pasquotank, Perquimans	2	
	2	Beaufort, Hyde, Martin, Tyrrell, Washington	1	
	3A	Pitt	1	
	3B	Carteret, Craven, Pamlico	1	
	4A	Duplin, Jones, Sampson	1	
	4B	Onslow	1	
	5	New Hanover, Pender	2	
	6A	Halifax	1	
	6B	Bertie, Hertford, Northampton	1	
	7A	Nash	1	
	7B	(part of Wilson, part of Edgecombe, see subsection (b))	1	
	7C	(part of Wilson, part of Edgecombe, see subsection (b))	1	
	8A	Lenoir and Greene	1	
	8B	Wayne	1	
	Second	9	Franklin, Granville, Person.	2

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	Vance, Warren	
10A	(part of Wake see subsection (b))	1
10B	(part of Wake see subsection (b))	2
10C	(part of Wake see subsection (b))	1
10D	(part of Wake see subsection (b))	1
11	Harnett, Johnston, Lee	1
12A	(part of Cumberland see subsection (b))	1
12B	(part of Cumberland see subsection (b))	1
12C	(part of Cumberland see subsection (b))	2
13	Bladen, Brunswick, Columbus	1
14A	(part of Durham see subsection (b))	1
14B	(part of Durham see subsection (b))	3
15A	Alamance	1
15B	Orange, Chatham	1
16A	Scotland, Hoke	1
16B	Robeson	1 <u>2</u>
Third	17A Caswell, Rockingham	1
	17B Stokes, Surry	1
	18A (part of Guilford see subsection (b))	1
	18B (part of Guilford see subsection (b))	1
	18C (part of Guilford see subsection (b))	1
	18D (part of Guilford see subsection (b))	1
	18E (part of Guilford see subsection (b))	1
	19A Cabarrus	1
	19B Montgomery, Randolph	1
	19C Rowan	1
	20A Anson, Moore,	1

	Richmond	
20B	Stanly, Union	1
21A	(part of Forsyth see subsection (b))	1
21B	(part of Forsyth see subsection (b))	1
21C	(part of Forsyth see subsection (b))	1
21D	(part of Forsyth see subsection (b))	1
22	Alexander, Davidson, Davie, Iredell	2
23	Alleghany, Ashe, Wilkes, Yadkin	1
Fourth 24	Avery, Madison, Mitchell, Watauga, Yancey	1
25A	Burke, Caldwell	1
25B	Catawba	1
26A	(part of Mecklenburg see subsection (b))	2
26B	(part of Mecklenburg see subsection (b))	2
26C	(part of Mecklenburg see subsection (b))	2
27A	Gaston	2
27B	Cleveland, Lincoln	1
28	Buncombe	2
29	Henderson, McDowell, Polk, Rutherford, Transylvania	1
30A	Cherokee, Clay, Graham, Macon, Swain	1
30B	Haywood, Jackson	1".

Sec. 15. Effective January 1, 1989, G.S. 7A-41(d)(30) as amended by Section 1 of Chapter 509, Session Laws of 1987, reads as rewritten:

"(30) In the sixteenth-B judicial district, a judge shall be elected in 1988 to serve an eight-year term beginning January 1, 1989. In the sixteenth-B judicial district, a judge shall be appointed by the Governor to serve until the results of the 1990 general election are certified. A person shall be elected in

the 1990 general election to serve the remainder of the term expiring December 31, 1996."

Sec. 16. Notwithstanding any other provision of law, if both the judge for superior court district 16B as authorized by this act and the judge for superior court district 16B as created by Chapter 509, Session Laws of 1987, take the initial oath of office on the same calendar day, they shall both be considered to have the same amount of continuous service on the superior court for the purpose of any statute determining which is the senior judge.

Sec. 17. Except as provided herein, this section is effective upon ratification. The authority of the Administrative Office of the Courts, under G.S. 7A-466(d) as rewritten by Section 10 of this act effective January 1, 1989, to promulgate regulations for the conduct of balloting under that section may be exercised with respect to Defender Districts 3A, 3B, 16A, and 16B at any time after the ratification of this act.

In the General Assembly read three times and ratified this the 6th day of July, 1988.

S.B. 372

CHAPTER 1057

AN ACT TO LIMIT THE LIABILITY OF OFFICIALS OF PUBLIC HOSPITALS AND HOSPITAL AUTHORITIES.

The General Assembly of North Carolina enacts:

Section 1. Article 2 of Chapter 131E of the General Statutes is amended by adding a Part D entitled "Limited Liability" to read:

" § 131E-48. *Limited liability.*--(a) A person serving as a director, trustee, or officer of a public hospital as defined in G.S. 159-39, or as a commissioner, member, or officer of a hospital authority established under Part A or B of this Article shall be immune individually from civil liability for monetary damages, except to the extent covered by insurance, for any act or failure to act arising out of this service, except where the person:

- (1) Is compensated for his services beyond reimbursement for expenses,
- (2) Was not acting within the scope of his official duties,
- (3) Was not acting in good faith,
- (4) Committed gross negligence or willful or wanton misconduct that resulted in the damage or injury,
- (5) Derived an improper personal financial benefit from the transaction,
- (6) Incurred the liability from the operation of a motor vehicle, or

(7) Is defendant in an action brought under G.S. 55A-28.1 or 55A-28.2.

(b) The immunity in subsection (a) is personal to the directors, trustees, officers, commissioners, and members, and does not immunize the hospital or hospital authority for liability for the acts or omissions of the directors, trustees, or officers."

Sec. 2. This act is effective upon ratification, and shall apply only to causes of action arising on or after that date.

In the General Assembly read three times and ratified this the 7th day of July, 1988.

S.B. 701

CHAPTER 1058

AN ACT TO ESTABLISH A SEPTAGE MANAGEMENT PROGRAM IN THE DEPARTMENT OF HUMAN RESOURCES.

The General Assembly of North Carolina enacts:

Section 1. G.S. 130A-290 is amended by inserting the following subdivisions:

"(16a) 'Septage' means solid waste that is a fluid mixture of untreated and partially treated sewage solids, liquids and sludge of human or domestic origin which is removed from a septic tank system.

(16b) 'Septage management firm' means a person engaged in the business of pumping, transporting, storing, treating or disposing septage. The term does not include public or community sanitary sewage systems that treat or dispose septage."

Sec. 2. Chapter 130A, Article 9, of the General Statutes, is amended by adding a new section as follows:

" § 130A-291.1. *Septage management program.*--(a) The Department shall establish and administer a septage management program in accordance with the provisions of this section.

(b) For the protection of the public health, the Commission shall adopt rules governing the management of septage. The rules shall include, but not be limited, to, criteria for the sanitary management of septage, including standards for transportation, storage, treatment and disposal; issuance, suspension and revocation of permits; and procedures for payment of annual fees.

(c) No septage management firm shall commence or continue operation that does not have a permit issued by the Department. The permit shall be issued only when the septage management firm satisfies all of the requirements of the rules adopted by the Commission.

(d) Septage shall be treated and disposed only at public or

community sanitary sewage systems designed to discharge effluent to the surface waters and at sites permitted by the Department. The permit shall be issued only if the site satisfies all of the requirements of the rules adopted by the Commission.

(e) Every septage management firm operating one septage pumper truck shall pay to the Department an annual fee of three hundred dollars (\$300.00) by 1 January for that calendar year. Every septage management firm operating two or more septage pumper trucks shall pay to the Department an annual fee of four hundred dollars (\$400.00) by 1 January for that calendar year. All fees collected by the Department under this subsection shall be deposited with the State Treasurer and shall be used, subject to appropriation by the General Assembly, to staff and support and support the septage management program.

(f) All public or community sanitary sewage systems designed to discharge effluent to the surface waters may accept, treat and dispose septage from permitted septage management firms, unless acceptance of the septage would constitute a violation of the permit conditions of the sanitary sewage system. The sanitary sewage system may charge a reasonable fee for acceptance, treatment and disposal of septage."

Sec. 2. This act shall become effective January 1, 1989, except that the provision that requires septage management firms to obtain a permit to operate shall become effective July 1, 1989. Rules adopted pursuant to this act shall not be effective before January 1, 1989.

In the General Assembly read three times and ratified this the 7th day of July, 1988.

S.B. 710

CHAPTER 1059**AN ACT TO CLARIFY DEFECTIVE DESIGN AS IT RELATES TO FIREARM OR AMMUNITION LIABILITY LAWSUITS.**

The General Assembly of North Carolina enacts:

Section 1. Chapter 99B of the General Statutes is amended by adding a new section to read:

"§ 99B-11. *Products liability lawsuits involving firearms.*--(a) In a products liability action involving firearms or ammunition, whether a firearm or ammunition shell is defective in design shall not be based on a comparison or weighing of the benefits of the product against the risk of injury, damage, or death posed by its potential to cause that injury, damage, or death when discharged.

(b) In a products liability action brought against a firearm or ammunition manufacturer, importer, distributor, or retailer that alleges a design defect, the burden is on the plaintiff to prove, in

addition to any other elements required to be proved:

- (1) That the actual design of the firearm or ammunition was defective, causing it not to function in a manner reasonably expected by an ordinary consumer of firearms or ammunition; and
- (2) That any defective design was the proximate cause of the injury, damage, or death."

Sec. 2. This act shall become effective October 1, 1988, and shall apply to injuries, damages, or deaths occurring on or after the effective date.

In the General Assembly read three times and ratified this the 7th day of July, 1988.

S.B. 1865

CHAPTER 1060

AN ACT TO APPOINT PERSONS TO VARIOUS PUBLIC OFFICES UPON THE RECOMMENDATION OF THE PRESIDENT OF THE SENATE.

Whereas, G.S. 120-121 authorizes the General Assembly to make certain appointments to public offices upon the recommendation of the President of the Senate; and

Whereas, the President of the Senate has made recommendations; Now, therefore,

The General Assembly of North Carolina enacts:

Section 1. Ronald Saucier of New Hanover County is appointed to the Child Day Care Commission for a term to expire on June 30, 1990. This appointment is the one affiliated with a for-profit day care center or plan. George Battle of Mecklenburg County is appointed to the Child Day Care Commission for a term to expire on June 30, 1990. This appointment is the one affiliated with a nonprofit day care center or plan.

Sec. 2. James Lester Rhew of Buncombe County is appointed to the Private Protective Services Board for a term to expire June 30, 1991.

Sec. 3. Edwin Pate Bailey of Wake County is appointed to the Board of Trustees of the Teachers' and State Employees' Comprehensive Major Medical Plan for a term expiring on June 30, 1990.

Sec. 4. James L. Muse of Montgomery County is appointed to the North Carolina Medical Database Commission for a term to expire on June 30, 1991. This is the hospital administrator categorical appointment.

Sec. 5. William Frank Forsyth of Cherokee County is appointed to the Board of Directors of the Western North Carolina Arboretum for a term to expire on June 30, 1992.

Sec. 6. J.T. "Tommy" Wellington of Robeson County and Wayne Miller of Wake County are appointed to the Southeastern North Carolina Farmers Market Commission for terms to expire June 30, 1992.

Sec. 7. Dr. Edmund Estes of Wake County and Tom H. Shepherd of Chowan County are appointed to the Northeastern North Carolina Farmers Market Commission for terms to expire June 30, 1992.

Sec. 8. Beryl Wade of Cumberland County, William C. Crawford of Montgomery County, M. Jackson Nichols of Wake County, and Charles D. Woodard of Wayne County are appointed to the Administrative Rules Review Commission for terms to expire June 30, 1990.

Sec. 9. Rev. Jordan C. Harris, Jr., of Iredell County is appointed to the North Carolina Therapeutic Recreation Certification Board for a term to expire June 30, 1991. This appointment is for the category of a public member.

Sec. 10. Thomas E. Norman of Mecklenburg County is appointed to the Board of Trustees of the North Carolina School of Science and Mathematics for a term to expire on June 30, 1991.

Sec. 11. Gerry T. Smith of Beaufort County is appointed to the North Carolina Seafood Industrial Park Authority to fill the unexpired term of Gerald Wain Gaskill of Carteret County for a term to expire June 30, 1989.

Sec. 12. Dr. Charles E. Cook of Wake County is appointed to the North Carolina Health Insurance Trust Commission for a term to expire June 30, 1991, as a representative who shall represent the public and who is familiar with health insurance issues to serve as an advocate for low and moderate income employees. Brad Thompson of Wake County is appointed to the North Carolina Health Insurance Trust Commission as a representative of the business community whose company provides health insurance to fill the unexpired term of Larry James Russell of Montgomery County for a term expiring June 30, 1989.

Sec. 13. Ray Sparrow of Wake County is appointed to the State Building Commission for a term to expire June 30, 1991. This is the categorical appointment for a public member knowledgeable in building construction.

Sec. 14. Unless otherwise specified, all appointments made by this act are for terms to begin upon ratification of this act or July 1, 1988, whichever is later.

Sec. 15. This act is effective upon ratification.

In the General Assembly read three times and ratified this the 7th day of July, 1988.

H.B. 85

CHAPTER 1061

AN ACT TO ALLOW A REFUND FROM THE TEACHERS' AND STATE EMPLOYEES' RETIREMENT SYSTEM AND LOCAL GOVERNMENTAL EMPLOYEES' RETIREMENT SYSTEM OF CERTAIN EXCESS CONTRIBUTIONS TO MEMBERS IN RETIREMENT.

The General Assembly of North Carolina enacts:

Section 1. G.S. 135-5 is amended by adding a new subsection (f1) to read:

"(f1) Upon submission of an application, there shall be paid to any member at retirement or thereafter or surviving beneficiary of a member a refund of contributions not withdrawn with regular interest thereon, equal to (i) additional contributions made under the provisions of Section 2 of Chapter 1053 of the 1953 Session Laws of North Carolina with respect to membership service prior to 1953 and (ii) the contributions made at the rate of two percent (2%) of compensation not subject to coverage under the Social Security Act during the period January 1, 1955, to June 30, 1963; provided that such return of contributions shall be payable only if such contributions did not in any way benefit the member under the provisions of this Chapter."

Sec. 2. G.S. 128-27 is amended by adding a new subsection (f1) to read:

"(f1) Upon the submission of an application, there shall be paid to any member, or surviving beneficiary of a member, who was covered under this System and the Teachers' and State Employees' Retirement System for the same period of service a return of contributions not withdrawn with regular interest thereon, equal to the contributions made at the rate of two percent (2%) of compensation not subject to coverage under the Social Security Act during the period January 1, 1955, to June 30, 1965; provided that such return of contributions shall be payable only if such contribution did not in any way benefit the member under any provision of this Article."

Sec. 3. For the purpose of funding this act, the Boards of Trustees of the Teachers' and State Employees' and Local Governmental Employees' Retirement Systems shall set aside reserves in each Retirement System in the amount of one hundred thousand dollars (\$100,000) in each reserve, with such amounts payable from

the unencumbered actuarial gains of each Retirement System resulting from the actuarial valuations for the year ended December 31, 1986.

Sec. 4. This act shall become effective July 1, 1988, through June 30, 1993.

In the General Assembly read three times and ratified this the 7th day of July, 1988.

H.B. 300

CHAPTER 1062

AN ACT TO PROVIDE MATCHING FUNDS TO VOLUNTEER RESCUE SQUADS.

Whereas, volunteer rescue squads often lack funds to purchase equipment or construct buildings; and

Whereas, rescue equipment is essential to rescue squads if they are to provide services to the citizens in their response areas; and

Whereas, volunteer rescue squad members are forced to spend time raising money rather than training and providing services; Now, therefore,

The General Assembly of North Carolina enacts:

Section 1. Section 5 of Chapter 584 of the 1987 Session Laws is amended by deleting the phrase "Article 5" and substituting the phrase "Article 6".

Sec. 2. Article 5 of Chapter 118 of the General Statutes, as enacted by Chapter 709 of the 1987 Session Laws, is amended by adding a new section at the end to read:

" § 118-51. *Volunteer Rescue Squad Fund.*--(a) There is created in the Department of Insurance the Volunteer Rescue Squad Fund to provide matching grants to volunteer rescue squads to purchase equipment and make capital improvements. An eligible rescue squad may apply to the Department of Insurance for a grant under this section. The application form and criteria for grants shall be established by the Department and the Office of Emergency Medical Services in the Department of Human Resources. The State Treasurer shall invest the Fund's assets according to law, and the earnings shall remain in the Fund. Beginning December 15, 1989, and on each December 15 thereafter, the Department shall make grants to eligible rescue squads subject to the following limitations:

- (1) The size of a grant may not exceed fifteen thousand dollars (\$15,000);
- (2) The applicant shall match the grant on a dollar-for-dollar basis with non-State funds;
- (3) The grant may be used only for equipment purchases or

capital expenditures: and

- (4) An applicant may receive no more than one grant per fiscal year.

In awarding grants under this section, the Department shall to the extent possible select applicants from all parts of the State based upon need. Up to two percent (2%) of the Fund may be used for additional staff and resources to administer the Fund in each fiscal year.

(b) A rescue squad is eligible for a grant under this section if:

- (1) It serves a response area of 10,000 or fewer residents or a response area that consists of an entire county;
- (2) It is all volunteer, except that the rescue squad unit may have paid members, not to exceed two positions, either full-time or part-time; and
- (3) It has been recognized by the Department as a rescue squad; and
- (4) It satisfies the eligibility criteria established by the Department under subsection (a) of this section."

Sec. 3. G.S. 20-183.7(a), as amended by Section 1 of Chapter 584, Session Laws 1987, is amended by deleting the phrase "eighty cents (80¢)" and substituting the phrase "one dollar (\$1.00)".

Sec. 4. G.S. 20-183.7(a1), as amended by Sections 1 and 2 of Chapter 584, Session Laws 1987, is amended in the third sentence by deleting the phrase "eighty cents (80¢)" and substituting the phrase "one dollar (\$1.00)" and by deleting the phrase "two dollars and twenty cents (\$2.20)" and substituting the phrase "two dollars and forty cents (\$2.40)".

Sec. 5. G.S. 20-183.7(c) (1) and (2) are rewritten to read:

"(1) After making the transfer provided in subdivision (3) of this subsection, seventy-five cents (75¢) of the fee for the valid inspection sticker collected pursuant to subsection (a) shall be transferred to the Highway Fund, and the remaining moneys shall be transferred to the Department of Insurance for the Volunteer Rescue Squad Fund created in G.S. 118-50.

(2) After making the transfer provided in subdivision (3) of this subsection, the fee collected pursuant to subsection (a1) shall be transferred as follows: the first thirty-five cents (35¢) to the Division of Environmental Management; the next twenty cents (20¢) to the Department of Insurance for the Volunteer Rescue Squad Fund created in G.S. 118-50; and any excess up to one dollar and eighty-five cents (\$1.85) to the Highway Fund."

Sec. 6. The heading of Article 5 of General Statute Chapter 118 and G.S. 118-50(a) are amended by deleting the words "Rural" and "rural" wherever it appears.

Sec. 7. G.S. 118-50(a) is amended by substituting "each May

15" for "each May 1,".

Sec. 8. G.S. 118-50(a) is amended by rewriting the last sentence to read: "Up to two percent (2%) of the Fund may be used for additional staff and resources to administer the Fund in each fiscal year."

Sec. 9. G.S. 118-50(a) is amended by adding after the last sentence in Section 1(b) a new sentence to read: "No fire department may be declared ineligible for a grant under this section solely because it is classified as a municipal fire department."

Sec. 10. G.S. 118-61(c)(3) is amended in first sentence by inserting the words, "two year or" immediately before the words, "four year".

Sec. 11. Sections 6, 7, 8, and 10 are effective upon ratification.

Sec. 12. This act shall become effective October 1, 1988.

In the General Assembly read three times and ratified this the 7th day of July, 1988.

H.B. 1124

CHAPTER 1063

AN ACT TO LIMIT CAMPAIGN EXPENDITURES AND TO
STRENGTHEN PUBLIC FINANCING OF POLITICAL
CAMPAIGNS.

The General Assembly of North Carolina enacts:

Section 1. Chapter 163 of the General Statutes is amended by adding a new Article to read:

"Article 22C.

"Appropriations from the

North Carolina Candidates Financing Fund.

" § 163-278.46. *Establishment of Candidates Fund; administrative expenses; financing in case of insufficiency.*--There is established in the State Treasury a North Carolina Candidates Financing Fund (Candidates Fund) to be administered by the State Board of Elections (State Board) in which shall be placed money contributed by taxpayers as provided in G.S. 105-163.16(f). If the money in the Candidates Fund is insufficient to fully fund qualifying candidates, available money shall be distributed proportionally.

" § 163-278.47. *Application; eligibility.*--(a) Application. Each candidate for Council of State who seeks grants from the Candidates Fund shall file an application for the grants with the State Board on forms provided by the State Board. The candidate may file an application after being certified as a party's nominee for the office, but not after June 15.

(b) Notice of Other Applicants. By June 30, the State Board shall

notify each candidate in a contest of all the applications made by candidates in the same contest.

(c) Eligibility. To be eligible to receive grants from the Candidates Fund, a candidate shall have opposition on the ballot in the general election and shall:

- (1) Agree to abide by the expenditure limits provided in G.S. 163-278.48,
- (2) Raise qualifying matching contributions equal to five percent (5%) of the expenditure limit. 'Qualifying matching contributions' are those from political committees or individuals. They are limited to contributions raised after the candidate's certification as nominee, or raised before his certification but left unspent after certification.
- (3) Agree to submit to a postelection audit of the campaign account by the State Board.

" § 163-278.48. *Expenditure limits.*--(a) Limitation Formulas. Any candidate for Council of State who requests grants from the Candidates Fund shall limit total expenditures after certification as party nominee as follows:

- (1) Governor: One dollar (\$1.00) times the number of votes cast for Governor in the last general election in which more than one candidate appeared on the ballot for Governor.
- (2) Council of State office other than Governor: Fifty cents (50¢) times the number of votes cast for Governor in the last general election in which more than one candidate appeared on the ballot for Governor.

" § 163-278.49. *Qualified campaign expenditures.*--A candidate may use the money received from the Candidates Fund under this Article only to further that candidate's election to office through expenditures allowable under North Carolina law.

" § 163-278.50. *Distribution of funds.*--(a) Certification and Notice. The State Board shall review each request for grants from the Candidates Fund and certify by July 15 before the general election whether the candidate is eligible to receive them. The State Board shall notify the candidate of the certification decision in that candidate's case within seven days after the decision is made.

(b) Formula for Distribution. A candidate certified to receive money from the Candidates Fund shall be entitled to distribution of funds on a one-to-one basis for all qualifying matching contributions as defined in G.S. 163-278.47. No candidate, however, shall receive money from the Candidates Fund in excess of half the amount of that candidate's expenditure limit under G.S. 163-278.48.

(c) Reporting. Certification and distribution of funds shall be based on contributions to the candidate reported pursuant to G.S. 163-

278.9 and pursuant to this section. In addition to the reports required in G.S. 163-278.9, a candidate who seeks to receive contributions from the Candidates Fund shall file a report of contributions and expenditures at each of the following times before the general election:

- (1) The second Wednesday in August, and
- (2) The second Wednesday in September.

Those two reports shall be filed on forms prescribed by the State Board. The State Board may prescribe separate forms on which candidates who seek grants from the Candidates Fund shall file the other reports required by G.S. 163-278.9.

(d) **Timetable for Distribution.** Funds shall be distributed to candidates by September 1 before the general election, based on the August reports required in subsection (c) of this section. Further distribution shall be made within seven days after the filing of each succeeding pre-election contribution report required by this section or by G.S. 163-278.9.

"§ 163-278.51. *Withdrawal of application.*--(a) **Regular Deadline for Withdrawal.** A candidate, by written notice to the State Board before July 10, may withdraw application to receive money from the Candidates Fund.

(b) **Extended Deadline for Withdrawal.** Notwithstanding the provisions of subsection (a) of this section, if withdrawal by any other candidate or candidates leaves a person as the only candidate in a contest applying for money from the Candidates Fund, that candidate may withdraw by written notice to the State Board before August 22.

(c) **Consequences of Withdrawal.** A candidate shall receive no money from the Candidates Fund after that candidate's notice of withdrawal. The candidate will not be subject to the limitations or penalties of this Article if the candidate makes a timely withdrawal.

(d) **Vacancies and Replacement Nominees.** If a party nominee who has been certified to receive money from the Candidates Fund dies, resigns, or for any reason becomes ineligible or disqualified before the general election but after the applicable deadline in subsection (a) or (b) of this section, that candidate's application for the Candidates Fund is automatically withdrawn without penalty, but the candidate shall return all money received from the Candidates Fund that is unspent at the time that candidate leaves the race. If the nominee is replaced, the new candidate may either:

- (1) Forego participation in the Candidates Fund; in that case, the new candidate will:
 - a. Not be eligible for any of the money the former candidate received or became entitled to before leaving the race, and
 - b. Not be subject to the expenditure limit, or

- (2) Assume the position of the former candidate with respect to the Candidates Fund; in that case, the new candidate will:
- a. Be eligible for the unspent money the former candidate returned to the Candidates Fund, and for any money to which the former candidate had become entitled through qualifying matching contributions but had not received before leaving the race, and
 - b. Be eligible for any money from the Fund the new candidate may earn through qualifying matching contributions, and
 - c. Be subject to the remainder of the former candidate's expenditure limit, and
 - d. Be subject to all other requirements for participation in the Candidates Fund that the candidate's late entry into the race do not make inappropriate.

If the new candidate elects to forego the Candidates Fund, any other candidate in the race may withdraw his application within seven days after the new candidate has notified the State Board of a decision to forego the Candidates Fund, if the candidate seeking to withdraw is left as the only publicly funded candidate in the race. A candidate who withdraws from participation in the Candidates Fund under the circumstances set out in this paragraph must return all money received from the Candidates Fund at the time of withdrawal.

" § 163-278.52. *Penalties; fines.*--In addition to any other penalties which may be applicable under this Chapter, any candidate who receives contributions from the Candidates Fund and who exceeds the applicable expenditure limit or falsely reports qualifying matching contributions and thereby receives contributions from the Candidates Fund to which the candidate was not entitled shall be fined an amount equal to the amount at issue plus ten percent (10%).

" § 163-278.53. *Criminal punishment.*--Any individual, person, candidate, political committee, or treasurer who willfully and intentionally violates any of the provisions of this Article, shall be guilty of a Class J felony.

" § 163-278.54. *Sixty-day post-election report to State Board; audit.*--
(a) Maintenance of Records. The treasurer of each candidate shall keep a complete record of receipts from the Candidates Fund and of all subsequent expenditures and disbursements, substantiated by any records, receipts, and information that the State Director of Elections shall require.

(b) Sixty-day Report. By 60 days after each general election, the treasurer of each candidate receiving funds from the Candidates Fund in that general election campaign shall file with the State Board an itemized statement reporting all receipts of Candidates Fund monies

and of all subsequent expenditures and disbursements and attach to the report the treasurer's verification that all funds were spent in accordance with the provisions of this Article.

(c) Audit. The State Board shall conduct an audit of the 60-day post-election report. If the Secretary of the State Board finds that any funds were not disbursed or expended in accordance with this Article, the Secretary shall order the candidate to reimburse to the Candidates Fund the amount improperly expended or disbursed.

" § 163-278.55. *Return of unspent money within 90 days of election.*-- Any money a candidate receives from the Candidates Fund that is unspent within 90 days after the general election shall be returned to the Candidates Fund. One-half of any amount in the candidate's campaign account required by G.S. 163-278.8 shall be deemed to be money received from the Candidates Fund; provided that if, pursuant to G.S. 163-278.46, the candidate received grants from the Candidates Fund on less than a one-to-one ratio, the same proportion of the candidate's campaign account shall be deemed to be money received from the Candidates Fund.

" § 163-278.56. *Duties of the State Board.*--The State Board shall establish rules for the administration and enforcement of this Article.

" § 163-278.57. *Definitions.*--The terms 'candidate,' 'expend,' 'individual,' 'person,' and 'treasurer' as used in this Article shall be as defined in G.S. 163-278.6."

Sec. 2. G.S. 105-163.16 is amended by adding at the end a new subsection to read:

"(f) Any taxpayer who shall be entitled to a refund of taxes withheld or estimated taxes paid as provided by this section may elect to contribute all or any part of such refund to the North Carolina Candidates Financing Fund for the use of political campaigns as provided in Article 22C of Chapter 163 of the General Statutes. The Secretary shall provide appropriate language and space on the individual income tax form in which to make such election and shall note the same in his instructions as a contribution qualifying as a deduction under G.S. 105-147(16). Any such election shall become irrevocable upon filing the taxpayer's income tax return for the taxable year. The Secretary shall, on a quarterly basis, transmit the remainder of such contributions to the State Treasurer for deposit in the North Carolina Candidates Financing Fund. Any interest earned on funds so deposited shall be credited to that Fund."

Sec. 3. Article 22B of Chapter 163 of the General Statutes is amended by deleting the phrase "North Carolina Election Campaign Fund" wherever it appears and substituting "North Carolina Political Parties Financing Fund" for the first reference and "Political Parties Fund" for the second and subsequent references.

Sec. 4. The Secretary of Revenue, the State Treasurer, and the Executive Secretary-Director of the State Board of Elections shall monitor and evaluate the response of the taxpayers and the growth of the Candidates Fund and each shall report to the General Assembly by May 15, 1991. The 1991 General Assembly is urged to review those reports and to determine if enough money has accumulated in the Candidates Fund to warrant distribution according to Section 1 of this act. If the 1991 General Assembly determines that an insufficient amount of money has accumulated to warrant proceeding with Section 1 of this act, the money that has accumulated in the Candidates Fund shall be transferred to the General Fund.

Sec. 5. Section 1 of this act shall become effective January 1, 1992. The remainder of this act is effective for taxable years beginning on or after January 1, 1988.

In the General Assembly read three times and ratified this the 7th day of July, 1988.

H.B. 1133

CHAPTER 1064

AN ACT TO STRENGTHEN THE PREFERENCE TO BE ACCORDED VETERANS FOR STATE EMPLOYMENT.

The General Assembly of North Carolina enacts:

Section 1. Chapter 126 of the General Statutes is amended by adding a new Article after Article 12 to read:

"Article 13.

"Veteran's Preference.

" § 126-80. *Declaration of policy.*--It shall be the policy of the State of North Carolina that, in appreciation for their service to this State and this country during a period of war, and in recognition of the time and advantage lost toward the pursuit of a civilian career, veterans shall be granted preference in employment for positions subject to the provisions of this Chapter with every State department, agency, and institution.

" § 126-81. *Definitions.*--As used in this Article:

(1) 'A period of war' includes World War I (April 16, 1917, through November 11, 1918), World War II (December 7, 1941, through December 31, 1946), the Korean Conflict (June 27, 1950, through January 31, 1955), the period of time between January 31, 1955, and the end of the hostilities in Vietnam (May 7, 1975), or any other campaign, expedition, or engagement for which a campaign badge or medal is authorized by the United States Department of Defense.

(2) 'Veteran' means a person who served in the Armed Forces of

the United States on active duty, for reasons other than training, and has been discharged under other than dishonorable conditions.

(3) 'Eligible veteran' means:

- a. A veteran who served during a period of war; or
- b. The spouse of a disabled veteran; or
- c. The surviving spouse or dependent of a veteran who dies on active duty during a period of war either directly or indirectly as a result of such service; or
- d. A veteran who suffered a service-connected disability during peacetime; or
- e. The spouse of a veteran described in subdivision d. of this subsection; or
- f. The surviving spouse or dependent of a person who served in the Armed Forces of the United States on active duty, for reasons other than training, who died for service-related reasons during peacetime.

" § 126-82. *State Personnel Commission to provide for preference.*--

(a) The State Personnel Commission shall provide that in evaluating the qualifications of an eligible veteran against the minimum requirements for obtaining a position, credit shall be given for all military service training or schooling and experience that bears a reasonable and functional relationship to the knowledge, skills, and abilities required for the position.

(b) The State Personnel Commission shall provide that if an eligible veteran has met the minimum requirements for the position, after receiving experience credit under subsection (a) of this section, he shall receive experience credit as determined by the Commission for additional related and unrelated military service.

(c) The State Personnel Commission may provide that in reduction in force situations where seniority or years of service is one of the considerations for retention, an eligible veteran shall be accorded credit for military service.

(d) Any eligible veteran who has reason to believe that he or she did not receive a veteran's preference in accordance with the provisions of this Article or rules adopted under it may appeal directly to the State Personnel Commission.

(e) The willful failure of any employee subject to the provisions of Article 8 of this Chapter to comply with the provisions of this Article or rules adopted under it constitutes personal misconduct in accordance with the provisions and promulgated rules of this Chapter, including those for suspension, demotion, or dismissal.

" § 126-83. *Exceptions.*--Notwithstanding G.S. 126-5, and notwithstanding provisions in that section that only certain Articles of this Chapter apply to some employees, this Article applies to all

persons covered by this Chapter except those exempted by G.S. 126-5(c) (2), G.S. 126-5(c)(3), G.S. 126-5(c)(4), G.S. 126-5(c1), G.S. 126-5(c2), or G.S. 126-5(c3), but this Article does not apply to those persons covered by G.S. 126-5(a)(2)."

Sec. 2. G.S. 128-15 reads as rewritten:

" § 128-15. *Employment preference for veterans and their spouses or surviving spouses.*--(a) It shall be the policy of the State of North Carolina that, in appreciation for their service to this State and this country during a period of war, and in recognition of the time and advantage lost toward the pursuit of a civilian career, veterans shall be granted preference in employment with every State department, agency, and institution.

(b) As used in this section:

- (1) 'A period of war' includes World War I (April 16, 1917, through November 11, 1918), World War II (December 7, 1941, through December 31, 1946), the Korean Conflict (June 27, 1950, through January 31, 1955), the period of time between January 31, 1955, and the end of the hostilities in Vietnam (May 7, 1975), or any other campaign, expedition, or engagement for which a campaign badge or medal is authorized by the United States Department of Defense.
- (2) 'Veteran' means a person who served in the Armed Forces of the United States on active duty, for reasons other than training, and has been discharged under other than dishonorable conditions.
- (3) 'Eligible veteran' means:
 - a. A veteran who served during a period of war; or
 - b. The spouse of a disabled veteran ; or
 - c. The surviving spouse or dependent of a veteran who dies on active duty during a period of war either directly or indirectly as the result of such service; or
 - d. A veteran who suffered a disabling injury for service-related reasons during peacetime; or
 - e. The spouse of a veteran described in subdivision d. of this subsection; or
 - f. The surviving spouse or dependent of a person who served in the Armed Forces of the United States on active duty, for reasons other than training, who dies for service-related reasons during peacetime.

(c) Hereafter, in all evaluations of applicants for positions with this State or any of its departments, institutions or agencies, a preference shall be awarded to all eligible veterans who are citizens of the State and who served the State or the United States honorably in either the

army, navy, marine corps, nurses' corps, air corps, air force, coast guard, or any of the armed services during a period of war.

(d) The provisions of this section shall be subject to the provisions of Article 1 of Chapter 165 of the General Statutes, and Parts 13 and 19 of Article 9 of Chapter 143B of the General Statutes."

Sec. 3. G.S. 126-5(a) reads as rewritten:

"(a) The provisions of this Chapter shall apply to:

- (1) All State employees not herein exempt, and
- (2) To all employees of area mental health, mental retardation, substance abuse authorities, and to employees of local social services departments, public health departments, and local emergency management agencies that receive federal grant-in-aid funds; and the provision of this Chapter may apply to such other county employees as the several boards of county commissioners may from time to time determine."

Sec. 4. G.S. 128-15.1 is repealed.

Sec. 5. This act shall become effective October 1, 1988.

In the General Assembly read three times and ratified this the 7th day of July, 1988.

H.B. 1240

CHAPTER 1065

AN ACT TO MAKE CERTAIN CHANGES IN THE LAW REGARDING FRAUDULENT DISPOSAL OF PROPERTY.

The General Assembly of North Carolina enacts:

Section 1. G.S. 14-114 reads as rewritten:

"§ 14-114. *Fraudulent disposal of personal property on which there is a security interest.*--(a) If any person, after executing a security agreement on personal property for a lawful purpose, shall make any disposition of any property embraced in such security agreement, with intent to ~~hinder, delay or~~ defeat the rights of the secured party, every person so offending and every person with a knowledge of the security interest buying any property embraced in which security agreement, and every person assisting, aiding or abetting the unlawful disposition of such property, with intent to ~~hinder, delay or~~ defeat the rights of any secured party in such security agreement, shall be guilty of a misdemeanor punishable by a fine not to exceed five hundred dollars (\$500.00), imprisonment for not more than six months, or both. ~~In all indictments for violations of the provisions of this section it shall not be necessary to allege or prove the person to whom any sale or disposition of the property was made, but proof of the possession of the property embraced in such security agreement by the grantor thereof, after the execution of said security agreement, and while it is~~

~~in force, the further proof of the fact that the sheriff or other officer charged with the execution of process cannot after due diligence find such property under process directed to him for its seizure, for the satisfaction of such security agreement, or that the secured party demanded the possession thereof of the grantor for the purpose of sale to foreclose said security agreement, after the right to such foreclosure had accrued, and that the grantor failed to produce, deliver or surrender the same to the secured party for that purpose, shall be prima facie proof of the fact of the disposition or sale of such property, by the grantor, with the intent to hinder, delay or defeat the rights of the secured party."~~

"A person's refusal to turn over secured property to a secured party who is attempting to repossess the property without a judgment or order for possession shall not, by itself, be a violation of this section.

(b) Intent to commit the crime as set forth in subsection (a) may be presumed from proof of possession of the property embraced in such security agreement by the grantor thereof after execution of the security agreement, and while it is in force, the further proof of the fact that the sheriff or other officer charged with the execution of process cannot after due diligence find such property under process directed to him for its seizure, for the satisfaction of such security agreement. However, this presumption may be rebutted by evidence that the property has, through no fault of the defendant, been stolen, lost, damaged beyond repair, or otherwise disposed of by the defendant without intent to defeat the rights of the secured party. When there is conflicting evidence on intent the State shall have the burden of proof.

Sec. 2. G.S. 14-115 reads as rewritten:

" § 14-115. *Secreting property to hinder enforcement of lien or security interest.*--Any person removing, exchanging or secreting any personal property on which a lien or security interest exists, after a judgment or order for possession for that property has been issued, with intent to prevent or hinder the enforcement of the lien or security interest, shall be guilty of a misdemeanor punishable by a fine not to exceed five hundred dollars (\$500.00), imprisonment for not more than six months, or both."

Sec. 3. G.S. 14-168.4 is added to the General Statutes to read as follows:

" § 14-168.4. *Failing to return rented property on which there is purchase option.*--(a) It shall be a misdemeanor, punishable by a fine not to exceed five hundred dollars (\$500.00), imprisonment for not more than six months, or both, for any person to fail to return rented property with intent to defeat the rights of the owner, which is rented

pursuant to a written rental agreement in which there is an option to purchase the property, after the date of termination provided in the agreement has occurred or, if the termination date is the occurrence of a specified event, then that such event has in fact occurred.

(b) Intent to commit the crime set forth in subsection (a) may be presumed from the following evidence:

- (1) Evidence that the defendant has disposed of the property, or has encumbered the property by allowing a security interest to be placed on the property or by delivering the property to a pawnbroker; or
- (2) Evidence that the defendant has refused to deliver the property to the sheriff or other officer charged with the execution of process directed to him for its seizure, after a judgment for possession of the property or a claim and delivery order for the property has been issued; or
- (3) Evidence that the defendant has moved the rented property out of state and has failed to notify the owner of the new location of the property.

However, this presumption may be rebutted by evidence from the defendant that he has no intent to defeat the rights of the owner of the property.

(c) Violations of this Article for failure to return rented property which is rented pursuant to a written rental agreement in which there is an option to purchase shall be prosecuted only under this section.

Sec. 4. This act shall become effective October 1, 1988.

In the General Assembly read three times and ratified this the 7th day of July, 1988.

H.B. 2281

CHAPTER 1066

AN ACT TO INCREASE THE MAXIMUM VEHICLE TAX THAT CAN BE LEVIED IN THE CITY OF HENDERSON FROM FIVE DOLLARS TO TEN DOLLARS.

The General Assembly of North Carolina enacts:

Section 1. G.S. 20-97(a) reads as rewritten:

"§20-97. *Taxes compensatory; no additional tax.*--(a) All taxes levied under the provisions of this Article are intended as compensatory taxes for the use and privileges of the public highways of this State, and shall be paid by the Commissioner to the State Treasurer, to be credited by him to the State Highway Fund; and no county or municipality shall levy any license or privilege tax upon any motor vehicle licensed by the State of North Carolina, except that cities and towns other than the City of Durham may levy not more than ~~five~~

dollars (~~\$5.00~~) ten dollars (\$10.00) per year upon any vehicle resident therein, and except that the City of Durham may levy not more than one dollar (\$1.00) per year upon any vehicle resident therein. Provided, further, that cities and towns may levy, in addition to the amounts hereinabove provided for, a sum not to exceed fifteen dollars (\$15.00) per year upon each vehicle operated in such city or town as a taxicab."

Sec. 2. This act applies to the City of Henderson only.

Sec. 3. This act is effective upon ratification.

In the General Assembly read three times and ratified this the 7th day of July, 1988.

H.B. 2316

CHAPTER 1067

AN ACT TO AUTHORIZE VANCE COUNTY TO LEVY A ROOM OCCUPANCY AND TOURISM DEVELOPMENT TAX.

The General Assembly of North Carolina enacts:

Section 1. Occupancy tax. (a) Authorization and scope. The Vance County Board of Commissioners may by resolution, after not less than 10 days' public notice and after a public hearing held pursuant thereto, levy a room occupancy tax of three percent (3%) of the gross receipts derived from the rental of any room, lodging, or similar accommodation furnished by a hotel, motel, inn, or similar place within the county that is subject to sales tax imposed by the State under G.S. 105-164.4(3). This tax is in addition to any State or local sales tax. This tax does not apply to accommodations furnished by nonprofit charitable, educational, or religious organizations.

(b) Collection. Every operator of a business subject to the tax levied under this section shall, on and after the effective date of the levy of the tax, collect the tax. This tax shall be collected as part of the charge for furnishing a taxable accommodation. The tax shall be stated and charged separately from the sales records, and shall be paid by the purchaser to the operator of the business as trustee for and on account of the county. The tax shall be added to the sales price and shall be passed on to the purchaser instead of being borne by the operator of the business. The county shall design, print, and furnish to all appropriate businesses and persons in the county the necessary forms for filing returns and instructions to ensure the full collection of the tax. An operator of a business who collects the occupancy tax levied under this section may deduct from the amount remitted to the county a discount of three percent (3%) of the amount collected.

(c) Administration. The county shall administer a tax levied under this section. A tax levied under this section is due and payable

to the county tax administrator in monthly installments on or before the 15th day of the month following the month in which the tax accrues. Every person, firm, corporation, or association liable for the tax shall, on or before the 15th day of each month, prepare and render a return on a form prescribed by the county. The return shall state the total gross receipts derived in the preceding month from rentals upon which the tax is levied.

A return filed with the county tax administrator under this section is not a public record as defined by G.S. 132-1 and may not be disclosed except as required by law.

(d) Penalties. A person, firm, corporation, or association who fails or refuses to file the return required by this section shall pay a penalty of ten dollars (\$10.00) for each day's omission. In case of failure or refusal to file the return or pay the tax for a period of 30 days after the time required for filing the return or for paying the tax, there shall be an additional tax, as a penalty, of five percent (5%) of the tax due in addition to any other penalty, with an additional tax of five percent (5%) for each additional month or fraction thereof until the tax is paid.

Any person who willfully attempts in any manner to evade a tax imposed under this section or who willfully fails to pay the tax or make and file a return shall, in addition to all other penalties provided by law, be guilty of a misdemeanor and shall be punishable by a fine not to exceed one thousand dollars (\$1,000), imprisonment not to exceed six months, or both. The board of commissioners may, for good cause shown, compromise or forgive the penalties imposed by this subsection.

(e) Distribution and use of tax revenue. Vance County shall set aside in a special account fifty percent (50%) of the net proceeds of the occupancy tax and may spend these funds only to promote travel and tourism in Vance County, to sponsor tourist-oriented events and activities in Vance County, and to finance tourist-related capital projects in Vance County. Vance County shall remit the remaining net proceeds of the tax to its general fund; Vance County may use these funds for any lawful purpose. As used in this subsection, "net proceeds" means gross proceeds less the cost to the county of administering and collecting the tax, as determined by the finance officer.

(f) Effective date of levy. A tax levied under this section shall become effective on the date specified in the resolution levying the tax. That date must be the first day of a calendar month, however, and may not be earlier than the first day of the second month after the date the resolution is adopted.

(g) Repeal. A tax levied under this section may be repealed by a

resolution adopted by the Vance County Board of Commissioners. Repeal of a tax levied under this section shall become effective on the first day of a month and may not become effective until the end of the fiscal year in which the repeal resolution was adopted. Repeal of a tax levied under this section does not affect a liability for a tax that was attached before the effective date of the repeal, nor does it affect a right to a refund of a tax that accrued before the effective date of the repeal.

Sec. 2. This act is effective upon ratification.

In the General Assembly read three times and ratified this the 7th day of July, 1988.

H.B. 2628

CHAPTER 1068

AN ACT TO APPOINT PERSONS TO VARIOUS PUBLIC OFFICES UPON THE RECOMMENDATION OF THE SPEAKER OF THE HOUSE OF REPRESENTATIVES.

Whereas, G.S. 120-121 authorizes the General Assembly to make certain appointments to public offices upon the recommendation of the Speaker of the House of Representatives; and

Whereas, the Speaker of the House of Representatives has made recommendations; Now, therefore,

The General Assembly of North Carolina enacts:

Section 1. Mr. John S. Stevens of Buncombe County, Ms. Catharine Biggs Arrowood of Wake County, Mr. George Hux of Halifax County and Mr. Joe A. Connolly of Buncombe County are appointed to the Administrative Rules Review Commission for terms to expire on June 30, 1990.

Sec. 2. Mr. Grady Galloway of Wake County is appointed to the Governor's Advisory Council on Aging for a term to expire on June 30, 1992.

Sec. 3. Mr. David Felmet, Sr., of Haywood County is appointed to the Board of Directors of the Western North Carolina Arboretum for a term to expire on June 30, 1992. Mr. Morris L. McGough of Buncombe County is appointed to the Board of Directors of the Western North Carolina Arboretum to fill the unexpired term of Dr. H. F. Robinson. His term will expire on June 30, 1990.

Sec. 4. Mr. Charles C. Braswell of Wake County is appointed to the State Building Commission for a term to expire on June 30, 1991. This is the categorical appointment for a manager of physical plant operations whose responsibilities are or were in the operations and maintenance of physical facilities.

Sec. 5. Mrs. Betsy H. Johnson of Wayne County and Mrs. Rachel Fesmire of Randolph County are appointed to the Child Day Care Commission for terms to expire on June 30, 1990. These are the two appointments who are not employed in or providing day care and who have no financial interest in day care.

Sec. 6. Mr. Ernest Frank Davis, Jr., of Buncombe County is appointed to the North Carolina Code Officials Qualification Board for a term to expire on June 30, 1992. This is the categorical appointment for an electrical contractor.

Sec. 7. Mr. Robert Wall of Cabarrus County is appointed to the North Carolina Medical Database Commission for a term to expire on June 30, 1991. This is the categorical appointment for an employer from a business with 200 or more employees.

Sec. 8. Mr. M. Wayne Miller of Wake County and Mr. Ulyless Clough of Tyrrell County are appointed to the Northeastern North Carolina Farmers Market Commission for terms to expire on June 30, 1992.

Sec. 9. Mr. Samuel L. Harrell of Pender County and Dr. Edmund A. Estes of Wake County are appointed to the Southeastern North Carolina Farmers Market Commission for terms to expire on June 30, 1992.

Sec. 10. Mr. James Don Tomberlin of Buncombe County and Mr. James A. Wynn, Jr., of Pitt County are appointed to the Board of Trustees of the Teachers' and State Employees' Comprehensive Major Medical Plan. Mr. Tomberlin's term will expire on June 30, 1990. Mr. Wynn will fill the unexpired term of Mr. Sam Beam, who has resigned. Mr. Wynn's term will expire on June 30, 1989.

Sec. 11. Mr. Shannon Brown of Harnett County and Dr. Michael L. Steiner of Nash County are appointed to the North Carolina Health Insurance Trust Commission for terms to expire on June 30, 1991. Mr. Brown's appointment is for the public member position and Dr. Steiner's appointment is the categorical appointment for a physician licensed to practice medicine in North Carolina.

Sec. 12. Mrs. Kathryn Kirkpatrick of Haywood County is appointed to the North Carolina Milk Commission for a term to expire on June 30, 1990. This is the categorical appointment for a public member.

Sec. 13. Ms. Patsy L. Racine of Wake County is appointed to the Private Protective Services Board for a term to expire on June 30, 1991.

Sec. 14. Mrs. Fannie M. Corbett of Wilson County is appointed to the North Carolina Housing Partnership for a term to expire on August 31, 1990. This is the categorical appointment for a representative who shall be a resident of low income housing. Mrs.

Corbett will fill the unexpired term of Mrs. Virgie McKiver, who has resigned.

Sec. 15. Mr. G. Stanton Taylor of Wake county is appointed to the North Carolina Manufactured Housing Board for a term to begin on October 1, 1988, and to expire on September 30, 1991. This is a categorical appointment for a representative of the insurance industry. Mr. Ken Johnson of Mecklenburg County is appointed to the North Carolina Manufactured Housing Board for a term to begin on October 1, 1988, and to expire on September 30, 1991. This is the categorical appointment for a representative of the banking and finance industry.

Sec. 16. Mr. Sam L. Beam of Gaston County is appointed to the Disciplinary Hearing Commission of the North Carolina State Bar for a term to expire on June 30, 1991.

Sec. 17. Mr. William B. Jenkins of Granville County is appointed to the North Carolina Agricultural Finance Authority to fill the vacancy left by the resignation of Mr. J. P. Harris, Jr. Mr. Jenkins' term will expire on June 30, 1989.

Sec. 18. Unless otherwise specified, all appointments made by this act are for terms to begin upon ratification of this act or July 1, 1988, whichever is later.

Sec. 19. This act is effective upon ratification.

In the General Assembly read three times and ratified this the 7th day of July, 1988.

H.B. 2654

CHAPTER 1069

AN ACT TO EXEMPT MOTORIZED WHEELCHAIRS FROM THE DEFINITION OF "VEHICLE" IN CHAPTER 20 OF THE GENERAL STATUTES.

The General Assembly of North Carolina enacts:

Section 1. G.S. 20-4.01(49) reads as rewritten:

"(49) Vehicle.--Every device in, upon, or by which any person or property is or may be transported or drawn upon a highway, excepting devices moved by human power or used exclusively upon fixed rails or tracks; provided, that for the purposes of this Chapter bicycles shall be deemed vehicles and every rider of a bicycle upon a highway shall be subject to the provisions of this Chapter applicable to the driver of a vehicle except those which by their nature can have no application. This term shall not include a device which is designed for and intended to be used as a means of transportation for a person with a mobility impairment, is suitable for use both inside and outside a building, and whose maximum speed does not exceed 12 miles per

hour when the device is being operated by a person with a mobility impairment."

Sec. 2. This act is effective upon ratification.

In the General Assembly read three times and ratified this the 7th day of July, 1988.

H.B. 2655

CHAPTER 1070

AN ACT TO REENACT SECTION 1 OF CHAPTER 446, SESSION LAWS OF 1987, PROHIBITING CERTAIN INVESTMENTS IN CERTAIN COMPANIES INVOLVED IN SOUTH AFRICA WHICH WAS INADVERTENTLY REPEALED BY SECTION 5 OF CHAPTER 751, SESSION LAWS OF 1987, A REWRITE OF THE INVESTMENT POWERS OF THE STATE TREASURER.

The General Assembly of North Carolina enacts:

Section 1. Section 1 of Chapter 446, Session Laws of 1987, is reenacted.

Sec. 2. This act is effective upon ratification.

In the General Assembly read three times and ratified this the 7th day of July, 1988.

S.B. 1557

CHAPTER 1071

AN ACT TO PRESERVE NORTH CAROLINA RAILWAY CORRIDORS.

The General Assembly of North Carolina enacts:

Section 1. G.S. 136-44.36 reads as rewritten:

" § 136-44.36. *Department of Transportation designated as agency to administer federal and State railroad revitalization programs.*--The General Assembly hereby designates the Department of Transportation as the agency of the State of North Carolina responsible for administering all State and federal railroad revitalization programs. The Department of Transportation is authorized to develop, and the Board of Transportation is authorized to adopt, a State railroad plan, and the Department of Transportation is authorized to do all things necessary under applicable State and federal legislation to properly administer State and federal railroad revitalization programs within the State. Such authority shall include, but shall not be limited to, the power to receive federal funds and distribute and expend federal and State ~~financial assistance~~ funds for rail ~~freight assistance~~ programs designed to cover the costs of acquiring, by purchase, lease or other manner as the department considers appropriate, a railroad line or

other rail property to maintain existing or to provide future rail service; the costs of rehabilitating and improving rail property on railroad lines to the extent necessary to permit safe, adequate and efficient rail service on such line; and the costs of constructing rail or rail related facilities for the purpose of improving the quality, efficiency and safety of ~~freight~~ rail service. The Department shall also have the authority to preserve railroad corridors for future railroad use and interim compatible uses. Such authority shall also include the power to receive and administer federal financial assistance without State financial participation to railroad companies to cover the costs of local rail service continuation payments, of rail line rehabilitation, and of rail line construction as listed above. This Article shall not be construed to grant to the department the power or authority to ~~purchase or~~ operate directly any rail line or rail facilities."

Sec. 2. Article 2D of Chapter 136 of the General Statutes is amended by adding a new section to read:

" § 136-44.36A. *Railway corridor preservation.*--The North Carolina Department of Transportation is authorized, pursuant to 16 U.S.C.A. 1247(d), to preserve rail transportation corridors and permit compatible interim uses of such corridors."

Sec. 3. If the Congress of the United States repeals the authorization contained in 16 U.S.C.A. 1247(d) or if a court of competent jurisdiction declares the provisions to be unconstitutional or otherwise invalid, following any appellate review, then Section 2 of this act shall expire upon certification by the Secretary of State that the federal authorization has been repealed or has been invalidated.

Sec. 4. The Department of Transportation is authorized to proceed under Section 2 of this act, but the payment of just compensation may be provided to the underlying fee owners in accordance with Article 9 of Chapter 136 of the General Statutes, the same as if the railroad had been abandoned rather than preserved for future railroad use and compatible interim uses.

Sec. 5. The Department of Transportation shall develop a proposed high speed rail corridor plan for North Carolina, in conjunction with the Department's railway corridor preservation program. The Department shall present its plan to the 1989 General Assembly for its review and approval.

Sec. 6. G.S. 1-44.2(c) is repealed.

Sec. 7. This act is effective upon ratification and applies only to railroad corridors and abandonments after the date of ratification of this act.

In the General Assembly read three times and ratified this the 7th day of July, 1988.

AN ACT PROVIDING A FUNDING FORMULA AND A SELECTION PROCESS FOR THE INCLUSION OF WORKS OF ART IN STATE BUILDINGS.

The General Assembly of North Carolina enacts:

Section 1. Article 47A of Chapter 143 of the General Statutes is rewritten to read:

"ARTICLE 47A.

"Art Works For State Buildings.

" § 143-408.1. *Short title.*--This Article shall be cited as 'The Art Works For State Buildings Act'.

" § 143-408.2. *Declaration of policy and statement of purpose.*--It is declared as a matter of public policy by the General Assembly that the State of North Carolina seeks to improve the quality of life of its citizens through art and to promote the development of artists and craftsmen. It is, therefore, the purpose of the General Assembly to provide that a portion of future expenditures for construction of State buildings, except as hereinafter set out, shall be used for the inclusion of works of art in those buildings and that participation in the programs created by this act by all artists and craftsmen in every region of this State be encouraged.

" § 143-408.3. *Definitions.*--In this Article, unless the context otherwise requires, the following definitions shall apply:

(1) 'Construction' means construction, reconstruction, remodeling, or renovation.

(2) 'Contracting officer' means the public officer or body responsible for securing the preparation of plans and specifications for the purpose of negotiating or advertising for bids for the construction of a State building.

(3) 'Designer' means an architect or engineer licensed in North Carolina.

(4) 'Principal user' means the State agency which will be the principal occupant of the proposed State building. However, in cases where more than one agency will occupy a building, 'principal user' means the Secretary of the Department of Administration.

(5) 'State building' means any permanent structure together with all grounds and appurtenant structures which are intended as offices; laboratories; workshops; courtrooms; hearing or meeting rooms; medical, dental, library, or museum space for use by the general public; or other space for carrying on the functions of a State agency which is to be constructed, reconstructed, remodeled, or renovated using an appropriation of State funds when the amount appropriated

for that purpose exceeds five hundred thousand dollars (\$500,000).

(6) 'Works of art' or 'art works' includes, but is not limited to, paintings, sculptures, fountain sculptures, frescoes, mobiles, murals, collages, mosaics, bas-reliefs, tapestries, photographs, drawings, silk screens, etchings, and lithographs. The term 'works of art' or 'art works' shall not include any reproductions of original art by mechanical means.

" § 143-408.4. *Appropriations and procedure for inclusion of art works.*--(a) One-half of one percent (0.5%) of the amount spent for the construction of each State building, not including the amount of funds used for land acquisition, shall be used for the acquisition of works of art for that building.

(b) The amount to be expended for the acquisition of art works for the building shall be included in the stated limit of the design contract and the amount shall also be incorporated by the designer in his total cost estimate for construction.

(c) If the contracting officer, the principal user and the Secretary of Administration jointly determine and certify in writing that, due to the use of the building or other reasons, a particular construction project is not appropriate for the placement of art works the provisions of this Article shall not apply, or, if not appropriate for the expenditure of a full one-half percent (0.5%) of the amount spent for construction as defined in G.S. 143-408.3, then in some percentage up to one-half percent.

(d) The selection and commissioning of artists and the acquisition and execution of works of art for State buildings undertaken pursuant to this Article shall be exempt from the provisions of all State bidding requirements. Expenditures for works of art as provided in this Article shall be contracted for separately from all other items in the construction project.

(e) Of the one-half of one percent (0.5%) of the amount appropriated for the construction cost of a State building which is dedicated to the acquisition of works of art pursuant to subsection (a) of this section, no more than eight percent (8%) of those funds may be used for the administrative costs of acquiring the art works.

(f) The Department of Cultural Resources may issue any rules necessary for the implementation of this act and shall administer the program created by this act through the North Carolina Arts Council.

" § 143-408.5. *Selection of artists and works of art.*--(a) Whenever a new State building is to be constructed, the contracting officer, together with the designer who has been engaged to prepare the plans for the project, shall consult with the principal user and the Public

Arts Administrator of the North Carolina Arts Council regarding the works of art to be included in the design of the building and the artist or craftsman to be commissioned for the project.

(b) The selection of artists and works of art shall be the joint determination of the designer, the principal user, the Chairman of the North Carolina Arts Council, and two citizens appointed by the Chairman of the North Carolina Arts Council.

" § 143-408.6. *Article not exclusive.*--This Article shall not be construed or interpreted as precluding the placement or purchase of other works of art using public funds nor shall it be construed or interpreted as precluding the use of ornamental detailing, or other architectural functional or structural garnishing in constructing public buildings or facilities. The works of art acquired pursuant to this Article are to be in addition to the architectural embellishments."

Sec. 2. Nothing in this act shall obligate the State of North Carolina for any additional appropriation without approval by the Joint Appropriation Committee.

Sec. 3. This act is effective upon ratification and shall apply to State buildings authorized after September 1, 1988.

In the General Assembly read three times and ratified this the 7th day of July, 1988.

S.B. 663

CHAPTER 1073

AN ACT TO SPECIFICALLY AUTHORIZE THE NORTH CAROLINA BOARD OF DENTAL EXAMINERS TO REGULATE GENERAL ANESTHESIA AND PARENTERAL SEDATION BY DENTISTS.

The General Assembly of North Carolina enacts:

Section 1. A new section is added to Chapter 90 of the General Statutes, to read:

" § 90-30.1. *Standards for general anesthesia and parenteral sedation.*--The North Carolina Board of Dental Examiners may establish by regulation reasonable education, training, and equipment standards for safe administration and monitoring of general anesthesia and parenteral sedation for outpatients in the dental setting. Regulatory standards may include a permit process for general anesthesia and parenteral sedation by dentists. The requirements of any permit process adopted under the authority of this section must include provisions that will allow a dentist to qualify for continued use of general anesthesia, if he or she is licensed to practice dentistry in North Carolina and shows the Board that he or she has been utilizing

general anesthesia in a competent manner for the five years preceding July 1, 1988, and his or her office facilities pass an on-site examination and inspection by qualified representatives of the Board."

Sec. 2. This act is effective upon ratification but shall expire June 30, 1990, and shall have no force and effect after that date.

In the General Assembly read three times and ratified this the 7th day of July, 1988.

H.B. 2517

CHAPTER 1074

AN ACT TO PERMIT AN ALLOCATION FOR IMPLEMENTATION OF THE SECOND PHASE OF THE PRECINCT BOUNDARY PROGRAM BEING CONDUCTED IN CONJUNCTION WITH THE U.S. CENSUS BUREAU AND TO MAKE AMENDMENTS THERETO.

The General Assembly of North Carolina enacts:

Section 1. Of the funds available to the General Assembly for the 1988-1989 fiscal year, the Legislative Services Commission may allocate a maximum of one hundred thousand dollars (\$100,000) to the Legislative Services Office to fund the work required for that Office to perform under Article 12A of Chapter 163 of the General Statutes. Unexpended allocated monies shall remain available until the work required is completed.

Sec. 2. Article 12A of Chapter 163 of the General Statutes reads as rewritten:

"ARTICLE 12A.

"Precinct Boundaries.

~~"§ 163-132.1. Voluntary participation in Block Boundary Suggestion Program.--Not later than December 1, 1985, the Legislative Services Office shall poll the county boards of elections to determine which of their precincts have boundaries that are not coterminous with a major physical feature, as identified under the criteria to be established pursuant to 13 U.S.C. § 141(c), a current township boundary, or a current municipal boundary. The Legislative Services Office shall:~~

~~(1) Assist county boards of elections in identifying the precincts with those nonconforming boundaries;~~

~~(2) Place those boundaries on maps deemed appropriate by the State Board;~~

~~(3) Request the U.S. Census Bureau to hold for census block identification in the 1990 U.S. Census all major physical features on the map near the nonconforming precinct boundary;~~
and

~~(4) Request the U.S. Census Bureau to hold for census block identification in the 1990 U.S. Census all other major physical features already on U.S. Census Bureau maps.~~

" § 163-132.2. Establishment of precinct boundaries for 1990 Census.-

(a) The Legislative Services Office as soon as it receives the U.S. Census Bureau's official census block maps to be used in the 1990 U.S. Census shall send the relevant copies of those maps to county boards of elections. After receiving copies of those maps, the county boards of election shall:

(1) Alter, where necessary, precinct boundaries to be coterminous with township boundaries, municipal boundaries, census block boundaries, or a combination of those boundaries provided that if, as a result of the alteration, the polling place is no longer in the precinct, it may continue to be the polling place as long as the lot or tract on which the polling place is situated adjoins the precinct;

(1a) Alter, where necessary, precinct boundaries so that each precinct is composed solely of contiguous territory, except where the operation of G.S. 163-132.5A has caused a precinct to be divided into two or more non-contiguous areas.

(2) Mark all precinct boundaries on the maps sent by the Legislative Services Office, showing the precinct boundaries in effect as of the time of marking, but with any changes effective at a later time as provided by subsection (d) of this section; and

(3) ~~File, within 45 days of the date the maps are sent by the Legislative Services Office or at an earlier~~ at a time deemed necessary by the Executive Secretary-Director of the State Board of Elections with the State Board and the Legislative Services Office the maps identifying the precinct boundaries and a written description of those boundaries deemed sufficient by the State Board to identify the precincts. . The Executive Secretary-Director may require a county board of elections to file a written description of the boundaries of any precinct or part thereof.

(b) The Executive Secretary-Director of the State Board of Elections and the Legislative Services Office shall examine the returned maps and their written descriptions. After its examination of the maps and their written descriptions, the Legislative Services Office shall submit to the Executive Secretary-Director of the State Board of Elections its opinion as to whether all precinct boundaries are coterminous with current township boundaries, current municipal

boundaries, census block boundaries, or a combination of those boundaries, with notations as to where those boundaries do not comply with these standards. If the Executive Secretary-Director of the State Board determines that all precinct boundaries are coterminous with current township boundaries, current municipal boundaries, census block boundaries, or a combination of those boundaries, the Executive Secretary-Director of the State Board shall approve the maps and written descriptions as filed and these precincts shall be the official precincts. Additionally, the Legislative Services Office shall submit to the Executive Secretary-Director of the State Board of Elections its opinion as to whether each precinct is composed solely of contiguous territory.

(c) If the Executive Secretary-Director of the State Board does not find that the filed precinct boundaries are coterminous with the current township boundaries, current municipal boundaries, census block boundaries, or a combination of those boundaries, ~~the State Board~~ he shall not approve those precinct boundaries but shall alter the precinct boundaries to be coterminous with the census block boundaries, municipal boundaries or township boundaries nearest to those existing precinct boundaries and these altered precincts ~~with their written descriptions prepared by the State Board~~ shall then be the official precincts. If the Executive Secretary-Director of the State Board finds that a precinct does not consist solely of contiguous territory, ~~it~~ he shall alter the precinct boundary so that it consists solely of contiguous territory, except where the non-contiguity is caused by the operation of G.S. 160A-132.5A.

(d) The changes in precinct boundaries under subsections (b) and (c) of this section shall be made effective not later than January 1, 1992.

(e) After the Executive Secretary-Director of the State Board approves or alters the precincts filed by the county boards and before January 2, 1990, no county board of elections may establish, alter, discontinue, or create any precinct except for changes resulting from G.S. 163-132.5A or by division of one precinct into two or more precincts.

(f) The State shall request that the U.S. Census Bureau provide summaries of census data by precinct, and shall participate in the 1990 Census Redistricting Data Program. When the State files with the Census Bureau precinct maps, those boundaries shall be those effective at the date of submission, but with any change with a postponed effective date made under subsection (d) of this section or made under G.S. 163-132.5A. In any case where the precinct includes non-contiguous portions because of the operation of G.S. 163-132.5A, the Executive Secretary-Director of the State Board of

Elections shall designate those areas for census data purposes as separate precincts. Provided, where a precinct boundary has been or is to be altered because of the operation of G.S. 163-132.5A, the boundary on the map shall be shown as in effect on January 1, 1988, the reporting date of the underlying municipal boundary on the map, but the fact that the boundary has been or is to be moved because of an intervening annexation shall be reported to the Executive Secretary-Director of the State Board of Elections and Legislative Services Office.

" § 163-132.3. *Alterations to precinct boundaries after January 1, 1990.*--~~For any alteration made to precinct boundaries after January 1, 1990, the county boards of elections shall establish~~ No county board of elections, after January 1, 1990, may change any precinct boundary unless the new boundaries to be are coterminous with those of townships, municipalities, the census blocks established under the latest U.S. Census, or a combination of these boundaries. The county boards of elections shall report precinct boundary changes by filing with the Executive Secretary-Director of the State Board on current official census maps the new boundaries of these precincts and their written descriptions deemed sufficient by the State Board to identify these precincts. The Executive Secretary-Director may require a county board of elections to file a written description of the boundaries of any precinct or part thereof. No newly created or altered precinct boundary occurring after January 1, 1990, is effective until approved by the Executive Secretary-Director of the State Board as being coterminous with the boundaries of townships, municipalities, census blocks established by the then latest U.S. Census, or a combination of those boundaries.

" § 163-132.4. *Rules. Directives.*--~~The Executive Secretary-Director of the State Board of Elections may promulgate rules directives concerning its duties and those of the county boards of elections under this Article other than under G.S. 163-132.1. The Legislative Services Commission may promulgate rules concerning G.S. 163-132.1.~~

" § 163-132.5. *Cooperation of State and local agencies.*--The State Budget Office, the Department of Transportation and county and municipal planning departments shall cooperate and assist the Legislative Services Office, the Executive Secretary-Director of the State Board of Elections and the county boards of elections in the implementation of this Article.

" § 163-132.5A. *Precinct boundaries.*--(a) Whenever an annexation ordinance adopted under Parts 1, 2, or 3 of Article 4A of Chapter 160A of the General Statutes, or a local act of the General Assembly annexing property to a municipality, becomes effective during the period beginning January 1, 1988, and ending December 31, 1989,

and any part of the boundary of the area being annexed which is actually contiguous to the city is also a precinct boundary for elections administered by the county board of elections then the annexed area is automatically moved into the 'city precinct', provided that if the annexed area is adjacent to more than one city precinct, the board of elections shall place the area in any one or more of the adjacent city precincts. The county board of elections may delay the effective date of any change under this subsection to a date not later than January 1, 1992.

(b) This section does not apply when the entire area of contiguity between the city and the area being annexed is a township boundary, a county boundary, or a visible feature used or expected to be used as a census block boundary in the 1990 census.

" § 163-132.5B. Exemption from Administrative Procedure Act.--The State Board of Elections is exempt from the provisions of ~~Articles 2, 3, 3A and 4~~ of Chapter 150B of the General Statutes while acting under the authority of this Article. Appeals from a final decision of the Executive Secretary-Director of the State Board of Elections under this Article shall be taken ~~directly~~ to the State Board of Elections within 30 days of that decision. The State Board shall approve, disapprove or modify the Executive Secretary's decision within 30 days of receipt of notice of appeal. Failure of the State Board to act within 30 days of receipt of notice of appeal shall constitute a final decision approving that of the Executive Secretary. Appeals from a final decision of the State Board under this Article shall be taken to the Superior Court of Wake County.

" § 163-132.6. Applicability of Article.--This Article applies only to counties with a population of 55,000 or over, according to the 1980 decennial federal ~~census~~, census and to any other county whose board of elections adopts not later than October 1, 1988, a resolution indicating a desire to participate in the program established by this Article, which resolution shall only become effective if received by the Executive Secretary-Director and approved by him on or before October 15, 1988. The Executive Secretary-Director shall approve the resolution if, after consultation with the Legislative Services Office, he determines that available resources exist to map the precincts of the county applying while doing the work for the mandated counties. A county approved to participate in the program may discontinue its participation if it so indicates by a resolution received by the Executive Secretary-Director on or before February 1, 1989. Counties voluntarily participating in this Article are bound by all the provisions of this Article."

Sec. 3. This act shall become effective July 1, 1988.

In the General Assembly read three times and ratified this the 7th day of July, 1988.

S.B. 1823

CHAPTER 1075

AN ACT TO ALLOW THE DISTRICT COURT TO SIT IN HAVELOCK.

The General Assembly of North Carolina enacts:

Section 1. G.S. 7A-133 reads as rewritten:

" § 7A-133. *Numbers of judges by districts; numbers of magistrates and additional seats of court, by counties.*--Each district court district shall have the numbers of judges and each county within the district shall have the numbers of magistrates and additional seats of court, as set forth in the following table:

District	Judges	County	Magistrates Min.-Max.		Additional Seats of Court
1	3	Camden	1	2	
		Chowan	2	3	
		Currituck	1	2	
		Dare	3	5	
		Gates	2	3	
		Pasquotank	3	4	
		Perquimans	2	3	
2	3	Martin	5	8	
		Beaufort	4	5	
		Tyrrell	1	2	
		Hyde	2	4	
3	7	Washington	3	4	
		Craven	7	10	<u>Havelock</u>
		Pitt	10	12	<u>Farmville,</u> <u>Ayden</u>
		Pamlico	2	3	
		Carteret	5	8	
4	5	Sampson	6	8	
		Duplin	9	11	
		Jones	2	3	
		Onslow	8	11	
5	5	New Hanover	6	10	
		Pender	4	6	
6	3	Northampton	5	6	
		Halifax	9	14	Roanoke

					Rapids, Scotland Neck
		Bertie	4	5	
		Hertford	5	6	
7	5	Nash	7	10	Rocky Mount
		Edgecombe	4	6	Rocky Mount
		Wilson	4	6	
8	5	Wayne	5	8	Mount Olive
		Greene	2	4	
		Lenoir	4	7	La Grange
9	4	Person	3	4	
		Granville	3	7	
		Vance	3	5	
		Warren	3	4	
		Franklin	3	6	
10	10	Wake	12	17	Apex Wendell Fuquay-Varina Wake Forest
11	5	Harnett	7	11	Dunn
		Johnston	10	12	Benson and Selma
		Lee	4	6	
12	6	Cumberland	10	17	
		Hoke	4	5	
13	4	Bladen	4	6	
		Brunswick	4	7	
		Columbus	6	8	Tabor City
14	5	Durham	8	12	
15A	3	Alamance	7	9	Burlington
15B	3	Orange	4	8	Chapel Hill
		Chatham	3	6	Siler City
16	5	Robeson	8	16	Fairmont Maxton Pembroke Red Springs Rowland St. Pauls
		Scotland	3	5	
17A	3	Caswell	2	5	
		Rockingham	4	9	Reidsville Eden Madison
17B	2	Stokes	2	4	

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		Surry	5	8	Mt. Airy
18	9	Guilford	20	26	High Point
19A	4	Cabarrus	5	9	Kannapolis
		Rowan	5	10	
19B	3	Montgomery	2	4	
		Randolph	5	8	Liberty
20	5	Stanly	5	6	
		Union	4	6	
		Anson	4	5	
		Richmond	5	6	Hamlet
		Moore	5	8	Southern Pines
21	7	Forsyth	3	15	Kernersville
22	5	Alexander	2	3	
		Davidson	7	10	Thomasville
		Davie	2	3	
		Iredell	4	8	Mooresville
23	3	Alleghany	1	2	
		Ashe	3	4	
		Wilkes	4	6	
		Yadkin	3	5	
24	3	Avery	3	4	
		Madison	4	5	
		Mitchell	3	4	
		Watauga	4	6	
		Yancey	2	4	
25	6	Burke	4	7	
		Caldwell	4	7	
		Catawba	6	9	Hickory
26	12	Mecklenburg	15	26	
27A	5	Gaston	11	20	
27B	3	Cleveland	5	8	
		Lincoln	4	6	
28	4	Buncombe	6	15	
29	4	Henderson	4	6	
		McDowell	3	4	
		Polk	3	4	
		Rutherford	6	8	
		Transylvania	2	4	
30	3	Cherokee	3	4	
		Clay	1	2	
		Graham	2	3	
		Haywood	5	7	Canton
		Jackson	3	4	

Macon	3	4
Swain	2	3"

Sec. 2. This act shall become effective July 1, 1989.

In the General Assembly read three times and ratified this the 8th day of July, 1988.

H.B. 1144

CHAPTER 1076

AN ACT TO AMEND THE LAW RELATING TO PENALTIES FOR VIOLATION OF THE REVENUE LAWS.

The General Assembly of North Carolina enacts:

Section 1. G.S. 105-236 is amended by rewriting subdivisions (7), (8), and (9) to read as follows:

"(7) **Attempt to Evade or Defeat Tax.** Any person who willfully attempts, or any person who aids or abets any person to attempt in any manner to evade or defeat any tax imposed by this Subchapter of the General Statutes, or the payment thereof, shall, in addition to other penalties provided by law, be guilty of a misdemeanor."

(8) **Willful Failure to Collect, Withhold, or Pay Over Tax.** Any person required under this Subchapter to collect, withhold, account for, and pay over any tax imposed by this Subchapter who willfully fails to collect or truthfully account for and pay over such tax shall, in addition to other penalties provided by law, be guilty of a misdemeanor and shall be punished by a fine not to exceed one thousand dollars (\$1,000), or by imprisonment not to exceed two years, or by both such fine and imprisonment.

(9) **Willful Failure to File Return, Supply Information, or Pay Tax.** Any person required under this Subchapter to pay any tax, to make a return, to keep any records, or to supply any information, who willfully fails to pay such tax, make such return, keep such records, or supply such information, at the time or times required by law, or regulations issued pursuant thereto, shall, in addition to other penalties provided by law, be guilty of a misdemeanor."

Sec. 2. G.S. 105-236 is further amended by inserting a new subdivision between subdivisions (9) and (10) to read as follows:

"(9b) **Aid or Assistance.** Any person, pursuant to or in connection with the revenue laws, who willfully aids, assists in, procures, counsels, or advises the preparation, presentation, or filing of a return, affidavit, claim, or any other document that he knows is fraudulent or false as to any material matter, whether or not the falsity or fraud is with the knowledge or consent of the person authorized or required to present or file the return, affidavit, claim, or other document, shall be guilty of a misdemeanor."

Sec. 3. This act shall become effective October 1, 1988, and shall apply to offenses committed on or after that date.

In the General Assembly read three times and ratified this the 8th day of July, 1988.

S.B. 1853

CHAPTER 1077

AN ACT TO CONFORM THE GENERAL STATUTES TO AN OPINION OF THE UNITED STATES SUPREME COURT BY REQUIRING NOTICE TO KNOWN CREDITORS OF THE LAST DATE FOR PRESENTATION OF CLAIMS AGAINST A DECEDENT'S ESTATE.

The General Assembly of North Carolina enacts:

Section 1. G.S. 28A-14-1 is rewritten to read:

" § 28A-14-1. *Notice for claims.*--(a) Every personal representative and collector within 20 days after the granting of letters shall notify all persons, firms and corporations having claims against the decedent to present the same to such personal representative or collector, on or before a day to be named in such notice, which day must be a least six months from the day of the first publication or posting of such notice. The notice shall set out a mailing address for the personal representative or collector. The notice shall be published once a week for four consecutive weeks in a newspaper qualified to publish legal advertisements, if any such newspaper is published in the county. If there is no newspaper published in the county, but there is a newspaper having general circulation in the county, then at the option of the personal representative, or collector, the notice shall be published once a week for four consecutive weeks in the newspaper having general circulation in the county and posted at the courthouse or the notice shall be posted at the courthouse and four other public places in the county. Personal representatives are not required to publish or mail notice to creditors if the only asset of the estate consists of a claim for damages arising from death by wrongful act. When any collector or personal representative of an estate has published or mailed the notice provided for by this section, no further publication or mailing shall be required by any other collector or personal representative.

(b) Every personal representative and collector within 90 days after the granting of letters shall send by first class mail to the last known address a copy of the notice required by subsection (a) of this section to all persons, firms, and corporations having unsatisfied claims against the decedent who are actually known or can be reasonably ascertained by the personal representative or collector within the 90

days."

Sec. 2. G.S. 28A-14-2 is rewritten to read:

" § 28A-14-2. *Proof of notice.*--A copy of the notice directed by G.S. 28A-14-1(a) to be posted or published, together with an affidavit or affidavits of one of the persons authorized by G.S. 1-600(a) to make affidavits to the effect that such notice was posted or published in accordance with G.S. 28A-14-1(a), and an affidavit of the personal representative or collector, or the attorney for the personal representative or collector, to the effect that a copy of the notice was mailed to each creditor entitled to notice in accordance with G.S. 28A-14-1(b) shall be filed in the office of the clerk of superior court by the personal representative or collector. The copy of the notice, together with the affidavit or affidavits, shall be deemed a record of the court and a copy thereof, duly certified by the clerk of superior court, shall be received as prima facie evidence of the fact of publication or mailing in all the courts of this State."

Sec. 3. This act is effective upon ratification and shall apply to decedents dying on or after April 19, 1988.

In the General Assembly read three times and ratified this the 8th day of July, 1988.

H.B. 133

CHAPTER 1078

AN ACT TO PROVIDE THAT THE SAME TYPE OF JOINT ACCOUNTS AND TRUSTS ACCOUNTS ARE AVAILABLE TO CUSTOMERS OF ALL FINANCIAL INSTITUTIONS AS RECOMMENDED BY THE GENERAL STATUTES COMMISSION.

The General Assembly of North Carolina enacts:

Section 1. Article 12 of Chapter 53 is amended by adding three new sections thereto as follows:

" § 53-146.1. *Joint accounts.*--(a) Any two or more persons may establish a deposit account or accounts by written contract. The deposit account and any balance thereof shall be held for them as joint tenants, with or without right of survivorship, as the contract shall provide, or may be held pursuant to G.S. 41-2.1 and have the incidents set forth in that section, provided, however, if the account is held pursuant to G.S. 41-2.1 the contract shall set forth that fact. Unless the persons establishing the account have directed that withdrawals require more than one signature, payment by the bank to, or on the order of, any persons designated in the contract authorized by this section shall be a total discharge of the bank's obligation as to the amount so paid. A pledge of such account by any owner or

owners, unless otherwise specifically agreed upon, shall be a valid pledge and transfer of such account, or of the amount so pledged, and shall not operate to sever or terminate the joint ownership of all or any part of the account. Persons establishing an account under this section shall sign a statement showing their decision in regard to the right of survivorship in the account, and containing the following language in a conspicuous manner:

'BANK (or name of institution) JOINT ACCOUNT

G.S. 53-146.1

We understand that by establishing a joint account under the provisions of North Carolina General Statute 53-146.1 that:

1. The bank (or name of institution) may pay the money in the account to, or on the order of, any person named in the account unless we have directed that withdrawals require more than one signature; and
2. If we elect to create the right of survivorship in the account, that upon the death of one joint owner the money remaining in the account will belong to the surviving joint owners and will not be inherited by the heirs of the deceased joint owner or be controlled by the deceased joint owner's will.

We _____ (write in 'do' or 'do not') elect to create the right of survivorship in this account.

_____,
This section shall not be deemed exclusive. Deposit accounts not conforming to this section shall be governed by other common law provisions of the General Statutes or the common law as appropriate.

(b) Nothing herein contained shall be construed to repeal or modify any of the provisions of G.S. 105-24, relating to the administration of the estate tax laws of this State, or provisions of laws relating to estate taxes; the provisions herein shall regulate, govern and protect the bank in its relationship with such joint owners of deposit accounts as herein provided.

(c) No addition to such deposit account, nor any withdrawal, payment or revocation shall affect the nature of the account as a joint account.

" § 53-146.2. *Trust accounts.*--(a) If any person establishing a deposit account shall execute a written agreement with the bank containing a statement that it is executed pursuant to the provisions of this subsection and providing for the account to be held in the name of such person as trustee for not more than one person designated as beneficiary, the account and any balance thereof shall be held as a trust account, and:

- (1) The trustee during the trustee's lifetime may change the

- designated beneficiary by a written direction to the bank; and
- (2) The trustee may withdraw or receive payment in cash or check payable to the trustee's personal order, and such payment or withdrawal shall constitute a revocation of the agreement as to the amount withdrawn; and
 - (3) Upon the death of the trustee, the person designated as beneficiary, if such person is living at the death of the trustee, shall be the owner of the account, and payment by the bank to such owner shall be a total discharge of the bank's obligation as to the amount paid.

The person establishing an account under this subsection shall sign a statement containing the following language in a conspicuous manner:

'BANK (or name of institution) TRUST ACCOUNT
G.S. 53-146.2

I understand that by establishing a trust account under the provisions of North Carolina General Statute 53-146.2 that:

1. During my lifetime I may withdraw the money in the account; and
2. By written direction to the bank (or name of institution) I may change the beneficiary; and
3. Upon my death the money remaining in the account will belong to the beneficiary and the money will not be inherited by my heirs or be controlled by will.

(b) Whenever the beneficiary of a trust account does not survive the trustee, then the account and any balance thereof which exists shall be owned by the trustee in the trustee's own right and for the trustee's own use and benefit.

(c) No addition to such accounts, nor any withdrawal, payment, revocation or change of beneficiary shall affect the nature of such accounts as trust accounts.

(d) Nothing herein contained shall be construed to repeal or modify any of the provisions of G.S. 105-24, relating to the administration of the estate tax laws of this State, or provisions of laws relating to estate taxes.

" § 53-146.3. *Personal agency accounts.*--(a) Any person may establish a personal agency account by written contract containing a statement that it is executed pursuant to the provisions of this section. The written contract shall name an agent who shall have authority to act on behalf of the depositor in regard to the account in the actions set out in this subsection. The agent shall have the authority to:

- (1) Make, sign or execute checks drawn on the account;
- (2) Endorse checks made payable to the principal for deposit only into the account; and

- (3) Deposit cash or negotiable instruments, including instruments endorsed by the principal, into the account.

A person establishing an account under this section shall sign a statement containing the following language in a conspicuous manner:

'BANK (or name of institution) PERSONAL AGENCY ACCOUNT

G.S. 53-146.3

I understand that by establishing a personal agency account under the provisions of North Carolina General Statute 53-146.3 that the agent named in the account may:

1. Sign checks drawn on the account; and
2. Make deposits into the account.

I also understand that upon my death the money remaining in the account will be controlled by my will or inherited by my heirs.

(b) An account created under the provisions of this section grants no ownership right or interest in the agent. Upon the death of the principal there is no right of survivorship to the account and the authority set out in subsection (a) terminates.

(c) The written contract referred to in subsection (a) shall provide that the principal may elect to extend the authority of the agent set out in subsection (a) to act on behalf of the principal in regard to the account notwithstanding the subsequent incapacity or mental incompetence of the principal. If the principal so elects to extend such authority of the agent, then upon the subsequent incapacity or mental incompetence of the principal, the agent may continue to exercise such authority, without the requirement of bond or of accounting to any court, until such time as the agent shall receive actual knowledge that such authority has been terminated by a duly qualified guardian of the estate of the incapacitated or incompetent principal or by the duly appointed attorney-in-fact for the incapacitated or incompetent principal, acting pursuant to a durable power of attorney (as defined in G.S. 32A-8) which grants to the attorney-in-fact that authority in regard to the account which is granted to the agent by the written contract executed pursuant to the provisions of this section, at which time the agent shall account to such guardian or attorney-in-fact for all actions of the agent in regard to the account during the incapacity or incompetence of the principal. If the principal does not so elect to extend the authority of the agent, then upon the subsequent incapacity or mental incompetence of the principal, the authority of the agent set out in subsection (a) terminates.

(d) When an account under this section has been established all or part of the account or any interest or dividend thereon may be paid on a check made, signed or executed by the agent. In the absence of

actual knowledge that the principal has died or that the agency created by the account has been terminated, such payment shall be a valid and sufficient discharge to the bank for payment so made."

Sec. 2. G.S. 54-109.57 is hereby rewritten to read as follows:

"§ 54-109.57. *Trusts accounts.*--(a) Shares may be issued to and deposits received from any person holding or opening an account who shall execute a written agreement with the credit union containing a statement that it is executed pursuant to the provisions of this subsection and providing for the account to be held in the name of such person as trustee for not more than one person designated as beneficiary, the account and any balance thereof shall be held as a trust account, and:

- (1) The trustee during the trustee's lifetime may change the designated beneficiary by a written direction to the credit union; and
- (2) The trustee may withdraw or receive payment in cash or check payable to the trustee's personal order, and such payment or withdrawal shall constitute a revocation of the agreement as to the amount withdrawn; and
- (3) Upon the death of the trustee, the person designated as beneficiary, if such person is living at the death of the trustee, shall be the holder of the account, and payment by the credit union to the holder shall be a total discharge of the credit union's obligation as to the amount paid.

The person establishing an account under this subsection shall sign a statement containing the following language in a conspicuous manner:

'CREDIT UNION (or name of institution) TRUST ACCOUNT

G.S. 54-109.57

I understand that by establishing a trust account under the provisions of North Carolina General Statute 54-109.57 that:

1. During my lifetime I may withdraw the money in the account; and
2. By written direction to the credit union (or name of institution) I may change the beneficiary; and
3. Upon my death the money remaining in the account will belong to the beneficiary, and the money will not be inherited by my heirs or be controlled by my will.

(b) Whenever the beneficiary of a trust account does not survive the trustee, then the account and any balance thereof which exists shall be held by the trustee in the trustee's own right and for the trustee's own use and benefit.

(c) No addition to such accounts, nor any withdrawal, payment, revocation or change of beneficiary shall affect the nature of such

accounts as trust accounts.

(d) Nothing herein contained shall be construed to repeal or modify any of the provisions of G.S. 105-24, relating to the administration of the estate tax laws of this State, or provisions of law relating to estate taxes."

Sec. 3. G.S. 54-109.58 is hereby rewritten to read as follows:

" § 54-109.58. Joint accounts.--(a) Shares may be issued to and deposits received from any two or more persons opening or holding an account or accounts, but no joint tenant, unless a member in his own right, shall be permitted to vote, obtain loans, or hold office or be required to pay an entrance or membership fee. The account and any balance thereof shall be held by them as joint tenants, with or without right of survivorship, as the contract shall provide, or may be held pursuant to G.S. 41-2.1 and have the incidents set forth in that section, provided, however, if the account is held pursuant to G.S. 41-2.1 the contract shall set forth that fact. Unless the persons establishing the account have directed that withdrawals require more than one signature, payment by the credit union to, or on the order of, any persons holding an account authorized by this section shall be a total discharge of the credit union's obligations as to the amount so paid. A pledge of such account by any holder or holders shall, unless otherwise specifically agreed upon, be a valid pledge and transfer of such account, or of the amount so pledged, and shall not operate to sever or terminate the joint ownership of all or any part of the account. Persons establishing an account under this section shall sign a statement showing their decision in regard to the right of survivorship in the account, and containing the following language in a conspicuous manner:

'CREDIT UNION (or name of institution) JOINT ACCOUNT
G.S. 54-109.58

We understand that by establishing a joint account under the provisions of North Carolina General Statute 54-109.58 that:

1. The credit union (or name of institution) may pay the money in the account to, or on the order of, any person named in the account unless we have directed that withdrawals require more than one signature; and
2. If we elect to create the right of survivorship in the account, that upon the death of one joint owner the money remaining in the account will belong to the surviving joint owners and will not be inherited by the heirs of the deceased joint owner or be controlled by the deceased joint owner's will.

We _____ [write in "do" or "do not"] elect to create the right of survivorship in this account.

This section shall not be deemed exclusive. Deposit accounts, not conforming to this section shall be governed by other applicable provisions of the General Statutes or the common law as appropriate.

(b) Nothing herein contained shall be construed to repeal or modify any of the provisions of G.S. 105-24, relating to the administration of the estate tax laws of this State, or provisions of laws relating to estate taxes; the provisions herein shall regulate, govern and protect the credit union in its relationship with such joint owners of accounts as herein provided.

(c) No addition to such account, nor any withdrawal, payment or revocation shall affect the nature of the account as a joint account."

Sec. 4. Article 14F of Chapter 54 of the General Statutes is hereby amended by adding a new section thereto read as follows:

" § 54-109.63. *Personal agency accounts.*--(a) A person may open a personal agency account by written contract containing a statement that it is executed pursuant to the provisions of this section. The written contract shall name an agent who shall have authority to act on behalf of the depositor in regard to the account as set out in this subsection. The agent shall have the authority to:

- (1) Make, sign or execute checks drawn on the account;
- (2) Endorse checks made payable to the principal for deposit only into the account; and
- (3) Deposit cash or negotiable instruments, including instruments endorsed by the principal, into the account.

A person establishing an account under this section shall sign a statement containing the following language in a conspicuous manner:

'CREDIT UNION (or name of institution)

PERSONAL AGENCY ACCOUNT

G.S. 54-109.63

I understand that by establishing a personal agency account under the provisions of North Carolina General Statute 54-109.63 that the agent named in the account may:

1. Sign checks drawn on the account; and
2. Make deposits into the account.

I also understand that upon my death the money remaining in the account will be controlled by my will or inherited by my heirs.

(b) An account created under the provisions of this section grants no ownership right or interest in the agent. Upon the death of the principal there is no right of survivorship to the account and the authority set out in subsection (a) terminates.

(c) The written contract referred to in subsection (a) shall provide that the principal may elect to extend the authority of the agent set out in subsection (a) to act on behalf of the principal in regard to the account notwithstanding the subsequent incapacity or mental incompetence of the principal. If the principal so elects to extend such authority of the agent, then upon the subsequent incapacity or mental incompetence of the principal, the agent may continue to exercise such authority, without the requirement of bond or of accounting to any court, until such time as the agent shall receive actual knowledge that such authority has been terminated by a duly qualified guardian of the estate of the incapacitated or incompetent principal or by the duly appointed attorney-in-fact for the incapacitated or incompetent principal, acting pursuant to a durable power of attorney (as defined in G.S. 32A-8) which grants to the attorney-in-fact that authority in regard to the account which is granted to the agent by the written contract executed pursuant to the provisions of this section, at which time the agent shall account to such guardian or attorney-in-fact for all actions of the agent in regard to the account during the incapacity or incompetence of the principal. If the principal does not so elect to extend the authority of the agent, then upon the subsequent incapacity or mental incompetence of the principal, the authority of the agent set out in subsection (a) terminates.

(d) When an account under this section has been established all or part of the account or any interest or dividend thereon may be paid by the credit union on a check made, signed or executed by the agent. In the absence of actual knowledge that the principal has died or that the agency created by the account has been terminated, such payment shall be a valid and sufficient discharge to the credit union for payment so made.

(e) An account established under the provisions of this section does not grant to the agent the authority to vote, obtain loans, or hold office and the agent shall not be required to pay an entrance or membership fee."

Sec. 5. G.S. 54B-129(a) and (b) are rewritten to read as follows:

"(a) Any two or more persons may open or hold a withdrawable account or accounts. The withdrawable account and any balance thereof shall be held by them as joint tenants, with or without right of survivorship, as the contract shall provide, or may be held pursuant to G.S. 41-2.1 and have incidents set forth in that section, provided, however, if the account is held pursuant to G.S. 41-2.1 the contract shall set forth that fact. Unless the persons establishing the account have directed that withdrawals require more than one signature,

payment by the association to, or on the order of, any persons holding an account authorized by this section shall be a total discharge of the association's obligation as to the amount so paid. A pledge of such account by any holder or holders shall, unless otherwise specifically agreed upon, be a valid pledge and transfer of such account, or of the amount so pledged, and shall not operate to sever or terminate the joint ownership of all or any part of the account. Persons establishing an account under this section shall sign a statement showing their decision in regard to the right of survivorship in the account, and containing the following language in a conspicuous manner:

'SAVINGS AND LOAN (or name of institution) JOINT ACCOUNT
G.S. 54B-129

We understand that by establishing a joint account under the provisions of North Carolina General Statute 54B-129 that:

1. The savings and loan association (or name of institution) may pay the money in the account to, or on the order of, any person named in the account unless we have directed that withdrawals require more than one signature; and
2. If we elect to create the right of survivorship in the account, that upon the death of one joint owner the money remaining in the account will belong to the surviving joint owners and will not be inherited by the heirs of the deceased joint owner or be controlled by the deceased joint owner's will.

We _____ [write in "do" or "do not"] elect to create the right of survivorship in this account.

_____ ,

This section shall not be deemed exclusive. Deposit accounts not conforming to this section shall be governed by other applicable provisions of the General Statutes or the common law as appropriate.

(b) Nothing herein contained shall be construed to repeal or modify any of the provisions of G.S. 105-24, relating to the administration of the estate tax laws of this State, or provisions of law relating to estate taxes; the provisions herein shall regulate, govern and protect the association in its relationships with such joint owners of deposit accounts as herein provided."

Sec. 6. G.S. 54B-130 is rewritten to read as follows:

"(a) If any person holding or opening a withdrawable account shall execute a written agreement with the association containing a statement that it is executed pursuant to the provisions of this subsection and providing for the account to be held in the name of such person as trustee for not more than one person designated as beneficiary, the account and any balance thereof shall be held as a trust account and:

- (1) The trustee during the trustee's lifetime may change the designated beneficiary by a written direction to the association; and
- (2) The trustee may withdraw or receive payment in cash or check payable to the trustee's personal order, and such payment or withdrawal shall constitute a revocation of the agreement as to the amount withdrawn; and
- (3) Upon the death of the trustee, the person designated as beneficiary, if such person is living at the death of the trustee, shall be the holder of the account, and payment by the association to the holder shall be a total discharge of the association's obligation as to the amount paid.

The person establishing an account under this subsection shall sign a statement containing the following language in a conspicuous manner: 'SAVINGS AND LOAN (or name of institution) TRUST ACCOUNT G.S. 54B-130(a)

I understand that by establishing a trust account under the provisions of North Carolina General Statute 54B-130(a) that:

1. During my lifetime I may withdraw the money in the account; and
2. By written direction to the savings and loan association (or name of institution) I may change the beneficiary; and
3. Upon my death the money remaining in the account will belong to the beneficiary, and the money will not be inherited by my heirs or be controlled by my will.

(b) Whenever the beneficiary of a trust account does not survive the trustee then the account and any balance thereof which exists shall be held by the trustee in the trustee's own right and for the trustee's own use and benefit.

(c) No addition to such accounts, nor any withdrawal, payment, revocation or change of beneficiary shall affect the nature of such accounts as trust accounts.

(d) Nothing herein contained shall be construed to repeal or modify any of the provisions of G.S. 105-24, relating to the administration of the estate tax laws of this State, or provisions of laws relating to estate taxes."

Sec. 7. Article 6 of Chapter 54B of the General Statutes is hereby amended by adding a new section thereto to read as follows:

" § 54B-139. *Personal agency accounts.*--(a) A person may open a personal agency account by written contract containing a statement that it is executed pursuant to the provisions of this section. The written contract shall name an agent who shall have authority to act on behalf of the depositor in regard to the account as set out in this subsection.

The agent shall have the authority to:

- (1) Make, sign or execute checks drawn on the account;
- (2) Endorse checks made payable to the principal for deposit only into the account; and
- (3) Deposit cash or negotiable instruments, including instruments endorsed by the principal, into the account.

A person establishing an account under this section shall sign a statement containing the following language in a conspicuous manner:

'SAVINGS AND LOAN (or name of institution)

PERSONAL AGENCY ACCOUNT

G.S. 54B-139

I understand that by establishing a personal agency account under the provisions of North Carolina General Statute 54B-139 that the agent named in the account may:

1. Sign checks drawn on the account; and
2. Make deposits into the account.

I also understand that upon my death the money remaining in the account will be controlled by my will or inherited by my heirs.

(b) An account created under the provisions of this section grants no ownership right or interest in the agent. Upon the death of the principal there is no right of survivorship to the account and the authority set out in subsection (a) terminates.

(c) The written contract referred to in subsection (a) shall provide that the principal may elect to extend the authority of the agent set out in subsection (a) to act on behalf of the principal in regard to the account notwithstanding the subsequent incapacity or mental incompetence of the principal. If the principal so elects to extend such authority of the agent, then upon the subsequent incapacity or mental incompetence of the principal, the agent may continue to exercise such authority, without the requirement of bond or of accounting to any court, until such time as the agent shall receive actual knowledge that such authority has been terminated by a duly qualified guardian of the estate of the incapacitated or incompetent principal or by the duly appointed attorney-in-fact for the incapacitated or incompetent principal, acting pursuant to a durable power of attorney (as defined in G.S. 32A-8) which grants to the attorney-in-fact that authority in regard to the account which is granted to the agent by the written contract executed pursuant to the provisions of this section, at which time the agent shall account to such guardian or attorney-in-fact for all actions of the agent in regard to the account during the incapacity or incompetence of the principal. If the principal does not so elect to extend the authority of the agent, then upon the subsequent incapacity or mental incompetence of the

principal, the authority of the agent set out in subsection (a) terminates.

(d) When an account under this section has been established all or part of the account or any interest or dividend thereon may be paid by the association on a check made, signed or executed by the agent. In the absence of actual knowledge that the principal has died or that the agency created by the account has been terminated, such payment shall be a valid and sufficient discharge to the association for payment so made."

Sec. 8. Chapter 36A of the General Statutes is hereby amended by adding a new Article thereto to read as follows:

"Article 10

"Trusts Accounts in Financial Institutions

"§ 36A-120. *Discretionary Revocable trust accounts in financial institution.*--Trusts created under the provisions of G.S. 53-146.2, G.S. 54-109.57 or G.S. 54B-129 are governed by the provisions of those statutes."

Sec. 9. All accounts opened pursuant to any statute amended by this act before the effective date of this act shall continue to be governed by the provisions of those statutes as they read prior to the effective date of this act.

Sec. 10. This act shall become effective July 1, 1989.

In the General Assembly read three times and ratified this the 8th day of July, 1988.

H.B. 364

CHAPTER 1079

AN ACT TO SIMPLIFY AND EXPEDITE THE PROCESS FOR REVIEWING DECISIONS REGARDING EXCEPTIONAL CHILDREN AND TO PROVIDE FOR MEDIATION OF DISAGREEMENTS.

The General Assembly of North Carolina enacts:

Section 1. G.S. 115C-116 is rewritten to read as follows:

"§ 115C-116. *Notice of decisions; mediation, administrative review, and judicial review of disagreements.*--(a) Notice. - The parent, guardian, or surrogate parent of a child shall be notified promptly when:

- (1) The local educational agency proposes to initiate or change, or refuses to initiate or change, the identification of a child as a child with special needs; or
- (2) The local educational agency proposes to initiate or change, or refuses to initiate or change, the child's individualized education program.

The notice shall be in writing and shall contain a statement advising the parent, guardian, or surrogate parent of the right to review the proposed decision; a statement offering the parent, guardian, or surrogate parent the opportunity for mediation; and a copy of this statute and G.S. 150B-23 through 37 or an explanation of the rights afforded by these statutes. It shall be hand-delivered to the parent, guardian, or surrogate parent or forwarded by certified or registered mail, return receipt requested.

(b) Mediation. - Mediation of disputes or disagreements regarding the identification of children with special needs and the provision of special education for children with special needs prior to formal administrative review is encouraged. If a request for formal administrative review has not been filed, the superintendent, upon the request of a parent, guardian, or surrogate parent, shall meet, or designate an assistant or associate superintendent to meet, with the parent, guardian, or surrogate parent to attempt to resolve the dispute or disagreement. The meeting shall be informal and the General Assembly intends that the meeting shall be nonadversarial, as required by G.S. 150B-22.

(c) Right of Review. - The parent, guardian, or surrogate parent may obtain review of proposed decisions on the following grounds:

- (1) The child has not been identified or has been incorrectly identified as a child with special needs;
- (2) The child's individualized education plan is not appropriate to meet his needs;
- (3) The child's individualized education plan is not being implemented; or
- (4) The child is otherwise being denied a free, appropriate education.

In addition, a local educational agency may obtain review as provided by this section if a parent, guardian, or surrogate parent refuses to consent to the evaluation of the child for the purpose of determining whether the child is a child with special needs or for the purpose of developing a free appropriate educational program for the child.

(d) Administrative Review. - Except as otherwise provided in this section, the administrative review shall be initiated and conducted in accordance with Article 3 of Chapter 150B of the General Statutes, the Administrative Procedure Act.

(e) Scope of Review. - Notwithstanding the provisions of G.S. 150B-23(a) and G.S. 150B-33(b)(9), the issues for review shall be limited to those set forth in subsection (c).

(f) Venue of Hearing. - Notwithstanding the provisions of G.S. 150B-24, the hearing shall be conducted in the county where the child attends school or is entitled to enroll pursuant to G.S. 115C-366.

(g) **Hearing Closed.** - Notwithstanding the provisions of G.S. 150B-23(e), the hearing shall be closed to the public unless the parent, guardian, or surrogate parent, prior to the beginning of the hearing, requests in writing that the hearing be open to the public.

(h) **Recommended Decision.** - Following the hearing, the administrative law judge shall make a recommended decision to the State Board of Education. The recommended decision shall conform to and be prepared in accordance with G.S. 150B-34.

(i) **Final Decision by the State Board of Education.** - The final decision shall be made by the State Board of Education in accordance with G.S. 150B-36. In its discretion, the State Board may appoint a panel of at least two members of the Board to make the final decision for and on its behalf in accordance with G.S. 150B-36, and if the Board elects to exercise its discretion the decision of the panel shall be the final decision.

(j) **Power to Enforce Final Decision.** - The State Board shall have the power to enforce its final decision by ordering a local educational agency:

- (1) To provide a child with an appropriate education;
- (2) To place a child in a private school that is approved to provide special education and that can provide the child an appropriate education; or
- (3) To reimburse parents for reasonable private school placement costs in accordance with the provisions of G.S. 115C-115 in the event it determines that the local educational agency did not offer or provide the child with an appropriate education and the private school in which the parent, guardian, or surrogate parent placed the child was an approved school and did provide the child an appropriate education.

(k) **Judicial Review.** - Any party aggrieved by the State Board's decision may seek judicial review in the State courts as provided in Chapter 150B, Article 4 of the General Statutes, or in federal court as provided in 20 U.S.C. § 1415.

(l) **Change in Placement.** - Upon the filing of a petition, no change may be made in the child's status or program by school officials during the period of the administrative review or subsequent judicial review, unless the parent, guardian, or surrogate parent gives written consent."

Sec. 2. Chapter 115C of the General Statutes is amended by adding a new section after G.S. 115C-113 to read:

" § 115C-113.1. *Surrogate parents.*--(a) In the case of a child whose parent or guardian is unknown, whose whereabouts cannot be determined after reasonable investigation, or who is a ward of the

State, the local educational agency shall appoint a surrogate parent for the child. The surrogate parent shall be appointed from a group of persons approved by the Superintendent of Public Instruction and the Secretary of Human Resources, but in no case shall the person appointed be an employee of the local educational agency or directly involved in the education or care of the child. The Superintendent shall ensure that local educational agencies appoint a surrogate parent for every child in need of a surrogate parent."

Sec. 3. G.S. 115C-115(3) is amended by deleting the last sentence.

Sec. 4. This act shall become effective upon ratification, and shall apply to all petitions for review filed on or after that date.

In the General Assembly read three times and ratified this the 8th day of July, 1988.

H.B. 1065

CHAPTER 1080

AN ACT TO PROVIDE FIRST AVAILABLE BED PRIORITY FOR NURSING HOME PATIENTS TEMPORARILY ABSENT FROM A NURSING FACILITY DUE TO HOSPITAL STAY.

The General Assembly of North Carolina enacts:

Section 1. Article 6 of Chapter 131E is amended by adding a new section to read:

"§ 131E-130. *First available bed priority for certain nursing home patients.*--(a) If a patient is temporarily absent, for no more than 15 days, from a nursing home to obtain medical treatment at a hospital other than a State mental hospital, the nursing home; (i) shall provide the patient with the first bed available at or after the time the nursing home receives written notification of the specific date of discharge from the hospital; and (ii) shall grant the patient priority of admission over applicants for admission to the nursing home.

The duration of the temporary absence shall be calculated from the day of the patient's admission to a hospital until the date the nursing home receives written notice of the specific date of discharge.

This subsection shall not apply in instances in which the patient's treatment can no longer be provided by the nursing home upon re-admission.

(b) If the Department finds that a nursing home has violated the provisions of subsection (a) of this section, the Department may assess a civil penalty of fifty dollars (\$50.00) a day, up to a maximum of one thousand five hundred dollars (\$1,500), against the nursing home, for

each violation.

(c) The provisions of Chapter 150B of the General Statutes that govern contested cases apply to appeals from Department action pursuant to this section."

Sec. 2. This act shall become effective October 1, 1988.

In the General Assembly read three times and ratified this the 8th day of July, 1988.

H.B. 1206

CHAPTER 1081

AN ACT TO REPEAL AN OBSOLETE PROVISION IN THE REVENUE LAWS, MODIFY THE DEFINITION OF "FLEA MARKET" FOR LICENSE TAX PURPOSES, AND MAKE TECHNICAL CORRECTIONS TO ELECTION LAWS, AND THE EMPLOYEE THEFT STATUTE.

The General Assembly of North Carolina enacts:

Section 1. G.S. 105-57 is repealed.

Sec. 2. G.S. 105-53(d) reads as rewritten:

"(d) Flea Market Vendor. -- Every person engaged in business as a flea market vendor shall obtain a license from the Secretary of Revenue for the privilege of engaging in such business and shall pay an annual tax of twenty-five dollars (\$25.00) for a statewide license. A 'flea market vendor' is a merchant, other than a merchant with an established retail store in the county, who transports an inventory of goods to a flea market licensed under subsection (c) of this section and who, at that location, displays the goods for sale and sells the goods at retail or offers the goods for sale at retail. A 'flea market' is a location, other than a permanent retail store, ~~store or the enclosed area of a mall or shopping center,~~ where space is rented to others for the purpose of selling goods at retail or offering goods for sale at retail."

Sec. 3. Section 2 of Chapter 1028 of the 1987 Session Laws reads as rewritten:

"Sec. 2. Effective with respect to elections held on or after January 1, 1989, Chapter 163 of the General Statutes is amended by inserting a new section to read:

'§ 163-278.10A. *Threshold of \$500.00 for Financial Reports.*-- Notwithstanding any other provision of this Chapter, ~~no~~ a candidate shall be exempted from the reports of contributions, loans, and expenditures required in G.S. 163-278.9(a), 163-278.40B, 278.40C, 278.40D, and 278.40E if to further his campaign that candidate:

- (a) Does not receive more than five hundred dollars (\$500.00) in contributions, and

(b) Does not receive more than five hundred dollars (\$500.00) in loans, and

(c) Does not spend more than five hundred dollars (\$500.00), who receives in contributions or expends \$500.00 or less shall be required to file any of the contribution and expenditure reports required in G.S. 163-278.9(a) or 163-278.40B, 278.40C, 278.40D, or 278.40E.— To qualify for the exemption from those reports, the candidate's treasurer shall file a certification under oath that he does not intend to receive in contributions or loans or expend more than five hundred dollars (\$500.00) to further his campaign. The certification shall be filed with the Board at the same time the candidate files his Organizational Report as required in G.S. 163-278.7, G.S. 163-278.9, and G.S. 163-278.40A. If the candidate's campaign is being conducted by a political committee which is handling all contributions, loans, and expenditures for his campaign, the treasurer of the political committee shall file a certification of intent to stay within the threshold amount. If the intent to stay within the threshold changes, or if the \$500.00 threshold is exceeded, the treasurer shall immediately notify the Board and shall be responsible for filing all reports required in G.S. 163-278.9 and 163-278.40B, 278.40C, 278.40D, and 278.40E; provided that any contribution, loan, or expenditure which would have been required to be reported on an earlier report but for this section shall be included on the next report required after the intent changes or the threshold is exceeded."

Sec. 4. Chapter 1028 of the 1987 Session Laws is amended by inserting a new Section 3.1 between Sections 3 and 4 to read:

"Sec. 3.1. Effective January 1, 1989, G.S. 120-93 reads as rewritten:

'§ 120-93. *County boards of elections to notify candidates of economic-interest-statement requirements.*--Each county board of elections shall provide for notification of the economic-interest-statement requirements of G.S. ~~120-95 and 120-96~~ 120-89, 120-96, and 120-98 to be given to any candidate filing for nomination or election to the General Assembly at the time of his or her filing in the particular county."

Sec. 4.1. G.S. 1-538.2(a) and (b) reads as rewritten:

"(a) Any person, other than an unemancipated minor, who commits an act that is punishable under G.S. 14-72.1 or G.S. ~~14-74~~ 14-72 is liable for civil damages to the owner of the property. In any action brought by the owner of the property he is entitled to recover the value of the goods or merchandise, if the goods or merchandise have been destroyed, or any loss of value to the goods or merchandise, if the goods or merchandise were recovered, or the amount of any money lost by reason of the embezzlement or fraud of

an employee. In addition to the above, the owner of the property is entitled to recover any consequential damages, and punitive damages, together with reasonable attorneys fees. If damages are assessed against the defendant, in favor of the plaintiff, the amount established for actual or consequential damages shall be trebled. The total of all damages awarded to a plaintiff against a defendant in an action under this section shall not exceed one thousand dollars (\$1,000).

(b) The parent or legal guardian, having the care, custody and control of an unemancipated minor who commits an act punishable under G.S. 14-72.1 or G.S. ~~14-74~~ 14-72, is civilly liable to the owner of the property obtained by the act if such parent or legal guardian knew or should have known of the propensity of the child to commit such an act; and had the opportunity and ability to control the child, and made no reasonable effort to correct or restrain the child. In an action brought against the parent or legal guardian by the owner, the owner is entitled to recover the amounts specified in subsection (a) except punitive damages."

Sec. 5. This act shall become effective July 1, 1988. No liability for the tax levied under G.S. 105-57 prior to its repeal is discharged as a result of the repeal, and no right to a refund that accrued before the repeal of G.S. 105-57 may be denied because of its repeal.

In the General Assembly read three times and ratified this the 8th day of July, 1988.

H.B. 1288

CHAPTER 1082

AN ACT TO REPEAL AN OBSOLETE LAW, TO MAKE TECHNICAL CHANGES TO THE REVENUE ACT, TO MODIFY THE LAW REGARDING PRIVILEGE LICENSES FOR CERTAIN EMPLOYMENT AGENCIES, TO MODIFY THE STANDARDS FOR ISSUING LICENSES FOR REFRIGERATION CONTRACTORS, AND TO MAKE CLARIFYING AND TECHNICAL AMENDMENTS TO VARIOUS LAWS RELATING TO LOW-LEVEL RADIOACTIVE WASTE AND HAZARDOUS WASTE.

The General Assembly of North Carolina enacts:

Section 1. G.S. 105-39 is repealed.

Sec. 1.1. G.S. 105-37.1 is amended by adding a new subsection to read:

"(d) It is not the purpose of this Article to discourage agricultural fairs in the State, and to further this cause, no carnival company taxable under this section will be allowed to play a 'still date' in any

county where there is a regularly advertised agricultural fair, 30 days prior to the dates of the fair. Nothing contained in this section shall prevent veterans' organizations and posts chartered by Congress or organized and operated on a statewide or nationwide basis from holding fairs or tobacco festivals on any dates which they may select, provided such fairs or festivals have been held as annual events prior to 1 July 1988."

Sec. 2. G.S. 105-486(b) reads as rewritten:

"(b) Adjustment. -- The Secretary shall then adjust the amount allocated to each county under subsection (a) by multiplying the amount by the appropriate adjustment factor set out in the table ~~below~~; below. If, after applying the adjustment factors, the resulting total of the amounts allocated is greater or lesser than the net proceeds to be distributed, the amount allocated to each county shall be proportionally adjusted to eliminate the excess or shortage.

<i>County</i>	<i>Adjustment Factor</i>
Dare	1.49
Brunswick	1.17
Orange	1.15
Carteret and Durham	1.14
Avery	1.12
Moore	1.11
Transylvania	1.10
Chowan, McDowell, and Richmond	1.09
Pitt and New Hanover	1.07
Beaufort, Perquimans, Buncombe, and Watauga	1.06
Cabarrus, Jackson, and Surry	1.05
Alleghany, Bladen, Robeson, Washington, Craven, Henderson, Onslow, and Vance	1.04
Gaston, Granville, and Martin	1.03
Alamance, Burke, Caldwell, Chatham, Duplin, Edgecombe, Haywood, Swain, and Wilkes	1.02
Hertford, Union, Stokes, Yancey, Halifax, Rockingham, and Cleveland	1.01
Alexander, Anson, Johnston, Northampton, Pasquotank, Person, Polk, and Yadkin	1.00
Catawba, Harnett, Iredell, Pamlico, Pender, Randolph, Stanly, and Tyrrell	0.99
Cherokee, Cumberland, Davidson, Graham, Hyde, Macon, Rutherford, Scotland, and Wilson	0.98

Ashe, Bertie, Franklin, Hoke, Lincoln, Montgomery, and Warren	0.97
Wayne, Clay, Madison, Sampson, Wake, Lee, and Forsyth	0.96
Caswell, Gates, Mitchell, and Greene	0.95
Currituck and Guilford	0.94
Davie and Nash	0.93
Rowan and Camden	0.92
Jones	0.90
Mecklenburg	0.89
Lenoir	0.88
Columbus	0.81".

Sec. 3. G.S. 105-493 reads as rewritten:

" § 105-493. *Distribution of taxes.*--The Secretary shall, on a quarterly basis, allocate the net proceeds of any one-half percent (1/2%) sales and use taxes levied under this Article in accordance with G.S. 105-486. For purposes of the allocation under G.S. 105-486, a county that levies one-half percent (1/2%) sales and use taxes under this Article is considered a taxing county under that section. To make the allocation required by G.S. 105-486 and this section, the Secretary shall add the net proceeds of local sales and use taxes levied under Article 40 of this Chapter and under this Article, and shall then allocate this amount to the taxing counties on a per capita basis as provided in G.S. 105-486. The amount allocated to a county that levies one-half percent (1/2%) sales and use taxes under this Article shall be ~~adjusted by multiplying it by the appropriate adjustment factor set out in the table~~ as provided in G.S. 105-486(b) and then divided among the county and its municipalities on either a per capita or an ad valorem tax basis, as designated by the board of county commissioners in a resolution adopted pursuant to G.S. 105-472. If any taxes levied under this Article by a county have not been collected in that county for a full quarter because of the levy or repeal of the taxes, the Secretary shall distribute a pro rata share to that county for that quarter based on the number of months the taxes were collected in that county during the quarter."

Sec. 4. G.S. 105-501 reads as rewritten:

" § 105-501. *Distribution of additional taxes.*--The Secretary shall, on a quarterly basis, allocate the net proceeds of the additional one-half percent (1/2%) sales and use taxes levied under this Article to the taxing counties on a per capita basis according to the most recent annual population estimates certified to the Secretary by the State Budget Officer. The Secretary shall then adjust the amount allocated to each county ~~by multiplying the amount by the appropriate adjustment factor set out in the table~~ as provided in G.S. 105-486(b).

The amount allocated to each taxing county shall then be divided among the county and the municipalities located in the county in accordance with the method by which the one percent (1%) sales and use taxes levied in that county pursuant to Article 39 of this Chapter or Chapter 1096 of the 1967 Session Laws are distributed.

If any taxes levied under this Article by a county have not been collected in that county for a full quarter because of the levy or repeal of the taxes, the Secretary shall distribute a pro rata share to that county for that quarter based on the number of months the taxes were collected in that county during the quarter."

Sec. 5. G.S. 87-58(d) reads as rewritten:

"(d) In order to protect the public health, comfort and safety, the Board shall prescribe the standard of ~~efficiency~~ experience to be required of an applicant for license and shall give an examination designed to ascertain the technical and practical knowledge of the applicant concerning the analysis of plans and specifications, estimating cost, fundamentals of installation and design as same pertain to refrigeration; and as a result of such examination, the Board shall issue a certificate of license in refrigeration to applicants who pass the required examination and a license shall be obtained in accordance with the provisions of this Article, before any person, firm or corporation shall engage in, or offer to engage in the business of refrigeration contracting as herein defined. Each application for examination shall be accompanied by a check, post-office money order or cash in the amount of the annual license fee required by this Article. Regular examinations shall be given in the months of April and October of each year and additional examinations may be given at such other times as the Board may deem wise and necessary. Any person may demand in writing a special examination and upon payment by the applicant of the cost of holding such examination and the deposit of the amount of the annual license fee, the Board in its discretion will fix a time and place for such examination. A person who fails to pass any examination shall not be reexamined until the next regular examination."

Sec. 6. G.S. 105-90(b)(1) reads as rewritten:

"(b) Every person, firm, or corporation who or which engages in the business of securing employment for a person or persons and charging therefor a fee, commission, or other compensation shall apply for and obtain from the Secretary of Revenue a State license for the privilege of engaging in such business in this State, and shall pay for such license the following annual tax for each location in which such business is carried on:

In unincorporated communities and in cities and towns of less than 2,500 population	\$100.00
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In cities or towns of 2,500 and less
than 5,000 population 200.00

In cities or towns of 5,000 and less
than 10,000 population 300.00

In cities or towns of 10,000 or more population 500.00.

Provided, that this section shall not apply to any employment agency operated by the federal government, the State, any county or municipality, or whose sole business is procuring employees for work in the production and harvesting of farm crops within the State, nor shall it apply to any registry for registered nurses or licensed practical nurses when not operated for profit. And provided further, that under this section the tax on any employment agency whose sole business is the placement of teachers and/or other school employees ~~and which has been approved by the State Superintendent of Public Instruction~~ shall be twenty-five dollars (\$25.00): Provided further, that the tax on employment agencies where the sole business is the placement of domestic servants or unregistered nurses for employment within the State shall be twenty-five dollars (\$25.00)."

Sec. 7. G.S. 20-127 (d) reads as rewritten:

"(d) On or after January 1, ~~1988~~, 1989, it shall be unlawful to operate a motor vehicle registered or which is required to be registered in this State under this Chapter, upon any highway or public vehicular area with a windshield or a front side window to the immediate right or left of the operator, or a rear window used for visibility, which has been darkened, smoked, or tinted after factory delivery. Provided, however, after first sale of the vehicle, a single application of tinted film which has been registered with and approved by the Commissioner of Motor Vehicles shall be lawful if the manufacturer's label is implanted between the film and glass in the lower left section of each darkened window and is legible from outside the vehicle. The label shall indicate the film registration number, the name and address of the manufacturer and a certification of compliance with North Carolina law. No film or darkening material may be applied on the windshield except to replace the sunshield in the uppermost area as installed by the manufacturer of the vehicle, in which case the label shall be implanted between the film and glass in the upper left section of the windshield and be legible from outside the vehicle. A rear window shall be required for visibility on every vehicle unless the vehicle is equipped with an outside mirror of a type approved by the Commissioner which eliminates the requirement for an inside rearview mirror under the provisions of G.S. 20-126(a) and (b)."

Sec. 8. G.S. 20-127(f) reads as rewritten:

"(f) Before shipping or making any tinted film available for

installation on a motor vehicle in this State, the manufacturer shall apply to the Commissioner for approval and registration of its tinted film and for a label to be used in the identification and certification of compliance with light transmittance and reflectance standards. The Commissioner shall approve ~~no~~ tinted film to be used in the front windows or a rear window if required for visibility ~~unless~~ if the manufacturer demonstrates that it has at least ~~thirty-five percent (35%)~~ fifty percent (50%) light transmittance if it is to be used on front, side, or rear windows and a luminous reflectance of not more than twenty percent (20%). A fee shall be paid by the manufacturer with each application for film approval and registration in the approximate amount of the cost to the Division in the review of the applications."

Sec. 8.1. G.S. 20-127(h) reads as rewritten:

"(h) Subsections (d) through (g) of this section shall apply only to darkened, smoked or tinted film installed on motor vehicle windows after factory delivery and after the effective date of this act and shall not apply to vehicles registered in another state and in compliance with the standards required in that state at time."

Sec. 9. This act does not affect the rights or liabilities of the State, a taxpayer, or other person arising under a statute amended or repealed by this act before its amendment or repeal; nor does it affect the right to any refund or credit of a tax that would otherwise have been available under the amended or repealed statute before its amendment or repeal.

Sec. 10. G.S. 104E-6.2(d)(1) as rewritten by Chapter 993 of the 1987 Session Laws (1988 Regular Session) is rewritten to read:

"(1) There is a local ordinance which would prohibit or have the effect of prohibiting the establishment or operation of a low-level radioactive waste facility;"

Sec. 11. G.S. 104E-18(c) is amended by deleting the word "provision" and substituting the word "requirements".

Sec. 12. Chapter 104G of the General Statutes is amended by adding a new section to read:

"§ 104G-23. *Miscellaneous provisions.*--(a) The Authority shall make every reasonable effort to complete each activity for which a completion date is specified in this Chapter by the specified completion date. In the event that the Authority is unable for whatever reason to complete any activity by the specified completion date, the Authority shall nevertheless proceed to complete the activity as expeditiously as possible. No action taken by the Authority shall be considered invalid by reason of the action having occurred after the specified completion date. The specification of any date for the adoption of any rule or for completion of any other action shall not be construed to preclude the adoption or modification of that rule or taking of that action

subsequent to that date.

(b) The Authority shall determine the sequence of tasks required to be accomplished in order to site, design, construct, and place into operation a low-level radioactive waste disposal facility and the time likely to be required to accomplish those tasks, shall construct a timetable of estimated task completion dates, and shall estimate the resources required to accomplish those tasks. The Authority shall report on a quarterly basis beginning 1 October 1988 to the Joint Select Committee on Low-Level Radioactive Waste of the General Assembly and to the General and Fiscal Research Divisions as to its general progress, its progress in developing the estimates required by this subsection, and as to the financial statements required by G.S. 104G-15(c)."

Sec. 13. G.S. 130A-293(d)(1) as rewritten by Chapter 993 of the 1987 Session Laws (1988 Regular Session) is rewritten to read:

"(1) That there is a local ordinance which would prohibit or have the effect of prohibiting the establishment or operation of a hazardous waste facility;"

Sec. 14. G.S. 150B-1(d) is amended by inserting the following sentence at the beginning of the paragraph pertaining to the North Carolina Low-Level Radioactive Waste Management Authority:

"Article 2 of this Chapter shall not apply to the North Carolina Low-Level Radioactive Waste Management Authority in administering the provisions of G.S. 104G-10 and G.S. 104G-11."

Sec. 14.1. G.S. 143B-216.13(11) is repealed.

Sec. 15. Sections 2, 3, and 4 of this act shall become effective 1 March 1988, and apply to sales made on or after that date. Sections 6, 10, 11, 12, 13, 14, 14.1, and 15 of this act are effective upon ratification. The remainder of this act shall become effective 1 July 1988.

In the General Assembly read three times and ratified this the 8th day of July, 1988.

H.B. 2310

CHAPTER 1083

AN ACT TO AMEND G. S. 58-490 TO INCLUDE THE REDEVELOPMENT COMMISSION OF THE TOWN OF TARBORO IN THE DEFINITION OF "LOCAL GOVERNMENT".

The General Assembly of North Carolina enacts:

Section 1. G.S. 58-490 reads as rewritten:

"§ 58-490. *Short title; definition.* This Article shall be known and may be cited as the Local Government Risk Pool Act. As used in this

Article, 'local government' means any county, city, or housing authority located in this State. As used in this Article, 'housing authority' includes the Redevelopment Commission of the Town of Tarboro."

Sec. 2. This act is effective upon ratification.

In the General Assembly read three times and ratified this the 8th day of July, 1988.

H.B. 2560

CHAPTER 1084

AN ACT TO ESTABLISH THE STATE ADVISORY COUNCIL ON INDIAN EDUCATION.

The General Assembly of North Carolina enacts:

Section 1. Chapter 115C of the General Statutes of North Carolina is amended by adding a new Article 13A to be entitled "State Advisory Council on Indian Education" and to read as follows:

"ARTICLE 13A.

"State Advisory Council on Indian Education.

" § 115C-210. *Council established.*--There is hereby established an advisory council to the State Board of Education to be known as the 'State Advisory Council on Indian Education'.

" § 115C-210.1. *Membership - How appointed.*--The Council shall consist of 15 members, as follows:

(a) Two legislative members (one senator appointed by the President of the Senate and one representative appointed by the Speaker of the House);

(b) Two Indian members from higher education to be appointed by the Board of Governors of the University system;

(c) One Indian member from the North Carolina Commission on Indian Affairs to be appointed by that Commission;

(d) Eight Indian parents of students enrolled in public schools and two Indian educators from public elementary/secondary schools to be appointed by the State Board of Education from a list submitted by the North Carolina Commission on Indian Affairs;

(e) Indian members of the Council shall be broadly representative of North Carolina Indian tribes and organizations, specifically, the Eastern Band of Cherokee, Lumbee, Coharie, Waccamaw-Siouan, Haliwa Saponi, Meherrin, Person County Indians, Cumberland County Association for Indian People, the Guilford Native American Association, the Metrolina Native American Association, and any other Indian tribe gaining State recognition in the future.

" § 115C-210.2. *Term of office.*--The Legislative members, the higher education members, and the member from the North Carolina

Commission on Indian Affairs shall serve for an unspecified term at the pleasure of their respective appointing authorities. The public school educators and the Indian parents shall each be divided into two classes, with one class being appointed initially for a term of one year and one class being appointed initially for a term of two years. Assignment of initial appointees to classes shall be by lot conducted by the State Board of Education just prior to the initial appointment. All subsequent terms shall be for a period of two years, and no member shall serve for more than two consecutive full terms.

" § 115C-210.3. *Organization, meetings, and compensation.*--(a) At its initial meeting, the Council shall elect a chairperson from its membership.

(b) The Council shall meet in space to be provided by the Department of Public Instruction on such dates as are agreed on by the membership from meeting to meeting; provided, however, that the Council shall meet at least three, but no more than four times each year. The Council may meet at emergency meetings called by the chairperson. The Department of Public Instruction shall provide necessary staff support and supplies to enable the Council to carry out its duties in an effective manner.

(c) Council members shall serve without pay, but shall receive travel allowances, lodging, subsistence and per diem as provided by G.S. 138-5.

" § 115C-210.4. *Duties of the Council.*--It shall be the duty of the Advisory Council:

(a) To advise the State Board of Education on ways to meet more effectively the educational needs of Indian students;

(b) To advocate meaningful programs to reduce and eventually eliminate low achievement and concurrent high attrition rates among American Indian students;

(c) To prepare an annual report on a fiscal year basis on the status of Indian education, said report to be presented to the State Board of Education and to the various Indian tribal organizations at the statewide Indian Unity Conference;

(d) To work closely with the Division of Indian Education in the Department of Public Instruction to improve coordination and communication between and among programs;

(e) To advise the State Board of Education on any other aspect of Indian education when requested by the State Board to do so."

Sec. 2. This act shall become effective July 1, 1988.

In the General Assembly read three times and ratified this the 8th day of July, 1988.

H.B. 2643

CHAPTER 1085

AN ACT TO APPROPRIATE FUNDS FOR CERTAIN PUBLIC PURPOSES.

The General Assembly of North Carolina enacts:
PART I.-----PUBLIC PURPOSE FUNDS

Section 1. Appropriations are made from the General Fund for the 1988-89 fiscal year, unless otherwise specified, to the grantees and for the public purposes listed in this part.

H2173 LENOIR COUNTY FIRE FUNDS

Two thousand five hundred dollars (\$2,500) to the Hugo Volunteer Fire Department, Inc., in Lenoir County for operating expenses and capital improvements.

Two thousand five hundred dollars (\$2,500) to Lenoir County for the Pink Hill Fire Department for operating expenses and capital improvements.

H2175 BURKE-MITCHELL FIRE FUNDS

Two thousand five hundred dollars (\$2,500) to the Jonas Ridge Service Center and Fire Department of Burke County for capital improvements and equipment.

Five thousand dollars (\$5,000) to the Grassy Creek Volunteer Fire Department, Inc., of Mitchell County for capital improvements and equipment.

Two thousand five hundred dollars (\$2,500) to the Fork Mountain Volunteer Fire and Rescue, Inc., of Mitchell County for capital improvements and equipment.

H2176 RHODODENDRON FESTIVAL FUNDS

Five thousand dollars (\$5,000) to The North Carolina Rhododendron Festival, Inc., for the promotion of travel and tourism in North Carolina.

H2177 SPECIAL OLYMPICS/LIBRARY FUNDS

Two thousand dollars (\$2,000) to the Mitchell County Board of Education for the purpose of sponsoring the Special Olympics for a four county area, in Mitchell County in the Spring of 1989.

One thousand dollars (\$1,000) to the Avery-Mitchell-Yancey Regional Library for the Spruce Pine Public Library for capital improvements.

H2179 BELL HOUSE FUNDS

Five thousand dollars (\$5,000) to The Bell House, Inc., to aid in the purchase of a bus.

H2180 GREENSBORO PRESERVATION SOCIETY FUNDS

Fifteen thousand dollars (\$15,000) to the Greensboro Preservation Society for a revolving fund to assist in creating responsible party low-cost housing.

H2181 FAMILY SERVICES OF GREENSBORO FUNDS

Five thousand dollars (\$5,000) to the Family & Children's Service of Greater Greensboro, Inc., for continued operation of its public service programs.

H2191 CATAWBA TRAINING GROUNDS FUNDS

Ten thousand dollars (\$10,000) to the Catawba County Firemen's Association, Incorporated, and the Catawba Rescue Squad, Inc., for phase one construction of a training tower that will enable fire and emergency personnel to maintain a viable fire and rescue service for the public safety of the citizens of Catawba County.

H2193 EDUCATIONAL EXCELLENCE FUNDS

Twenty thousand dollars (\$20,000) to the Council for Educational Excellence, Inc., in Catawba County for the support of its innovative program to promote excellence in public education in Catawba County. The program includes projects to reduce the dropout rate in the county's three public school systems, the establishment of business-school partnerships to encourage students to seek higher achievement levels, and programs to increase community awareness of the need for excellent education.

H2206 AVERY COMMUNITY FUNDS

Five thousand dollars (\$5,000) to the Cranberrian Corporation for the stabilization and restoration of the old Cranberry High School property, in Avery County, consisting of approximately 9.28 acres of land with four buildings situated on it, including two buildings of great historical value, for the citizens of the area to use as a recreation and community center.

Five thousand dollars (\$5,000) to the Avery County Disabled American Veterans, No. 87, Inc., for capital improvements to the headquarters of the Avery County Disabled American Veterans.

Two thousand dollars (\$2,000) to Drexel Foundation, Inc., for a softball field for its community center or capital improvements on its recreational facilities.

H2217 TARBORO COMMUNITY OUTREACH FUNDS

Eighteen thousand dollars (\$18,000) to Tarboro Community Outreach, Inc., for capital outlay for the construction of a shelter for the homeless, provided that a like amount is raised from private donations to match this appropriation on a dollar-for-dollar basis.

H2218 RED OAK CENTER FUNDS

Five thousand dollars (\$5,000) to the Town of Red Oak for the special fund for the Red Oak Community Center established by Chapter 778, Section 1242 of the 1985 Session Laws. Interest accruing to the fund may be expended only for the maintenance and repair of the Red Oak Community Center. The principal of the fund may not be expended for any purpose.

H2219 CASTALIA CAPITAL FUNDS

Seven thousand dollars (\$7,000) to the Town of Castalia for capital needs, provided these funds are matched on the basis of one dollar from local ad valorem tax revenues for every two State dollars.

H2221 RICHMOND HILL FUNDS

Twenty thousand dollars (\$20,000) to the Historic Richmond Hill Law School Commission through the North Carolina Department of Cultural Resources to assist in the further restoration of Richmond Hill - primarily the reconstruction of an outside kitchen facility with modern interior equipment.

H2231 ONSLOW COUNTY PHYS.-ED./BAND FUNDS

Twenty-one thousand dollars (\$21,000) to the Onslow County Board of Education for promotion of its high school physical education, athletic, and band programs. The Onslow County Board of Education shall allocate these funds to the high schools based on their average daily membership in grades 9 through 12. The funds shall be expended in the discretion of the high schools for their physical education, athletic, or band programs.

H2232 CARTERET COUNTY PHYS.-ED. FUNDS

Nine thousand dollars (\$9,000) to the Carteret County Board of Education for promotion of its high school physical education and athletic programs. The Carteret County Board of Education shall allocate these funds to the high schools based on their average daily membership in grades 9 through 12. The funds shall be expended in the discretion of the high schools for their physical education or athletic programs.

H2237 PIEDMONT TEEN CHALLENGE FUNDS

Five thousand dollars (\$5,000) to The Greater Piedmont Challenge, Teen Challenge Inc., for the rehabilitation of troubled youth.

H2248 JOHNSTON SCHOOL CULTURAL ARTS FUNDS

Ten thousand dollars (\$10,000) to the Johnston County Board of Education for the Johnston County School Cultural Arts Program.

H2255 HICKORY RESCUE SQUAD FUNDS

Two thousand dollars (\$2,000) to Hickory Rescue Squad, Inc., to be used for the construction of a satellite base in southwest Catawba County.

H2256 CATAWBA HANDICAPPED FUNDS

Ten thousand dollars (\$10,000) to the Catawba County Association for Special Education, Inc., to purchase a van to transport handicapped persons who work for Econo Force Industrial Services, a sheltered workshop.

H2257 CATAWBA HEARING IMPAIRED FUNDS

Ten thousand dollars (\$10,000) to Catawba Valley Foundation, Inc., for the Hearing Impaired Program that is conducted at Lenoir-Rhyne College in Catawba County.

H2265 HAYWOOD-MADISON HOSPICE FUNDS

Ten thousand dollars (\$10,000) to Hospice of Haywood County, Inc., for hospice care services for Haywood County.

Ten thousand dollars (\$10,000) to the Hot Springs Health Program for the provision of hospice care services for Madison County by Hospice of Madison, a division of Madison Home Care.

H2266 MADISON HELPMATE COUNTY FUNDS

Fifteen thousand dollars (\$15,000) to Helpmate, Incorporated, for the Madison County Office of Helpmate, Incorporated, located in the Town of Marshall, for operating expenses incurred in providing services to Madison County victims of domestic violence.

H2267 HAWTHORNE HEIGHTS HOME FUNDS

Thirteen thousand five hundred dollars (\$13,500) to Mountain Youth Resources, Inc., in Jackson County for operating expenses of the Hawthorne Heights Juvenile Shelter.

H2268 CANTON YMCA FUNDS

Eleven thousand dollars (\$11,000) to the Robertson Memorial

Young Men's Christian Association of Canton, North Carolina, in Haywood County for capital improvements to the facilities at which recreational programs are offered for the entire community.

H2271 TARRADIDDLE PLAYERS FUNDS

One thousand dollars (\$1,000) to Tarradiddle Players for the purchase of a van to transport costumes and theatrical equipment to schools and theaters in North Carolina for performances given by the Tarradiddle Players, a touring acting company in Charlotte dedicated to theater for children.

H2272 CHARLOTTE CRISIS CENTER FUNDS

Eight thousand dollars (\$8,000) to the Department of Human Resources to assist in purchasing and renovating a permanent home for The Relatives, Inc., a family crisis intervention and counseling center in Charlotte, North Carolina.

H2276 SHERRILLS FORD LIBRARY FUNDS

Fifteen thousand dollars (\$15,000) to the Catawba County Public Library for the Sherrills Ford Branch Library, to enable the library to meet the needs of a rapidly expanding reading population.

H2277 MOORESVILLE LIBRARY FUNDS

Fifteen thousand dollars (\$15,000) to the Mooresville Public Library in Iredell County to enable the library to meet the needs of a rapidly growing reading population.

H2284 DAVIDSON HOT MEALS FUNDS

Ten thousand dollars (\$10,000) to the Town of Davidson to assist in operating the Hot Meals Program in northern Mecklenburg County.

H2285 MECKLENBURG FIRE DEPTS. FUNDS

Ten thousand dollars (\$10,000) to Mecklenburg County to be divided equally among the following fire departments:

- (1) Cornelius-Lemley Volunteer Fire Department, Inc.;
- (2) Davidson Fire Department;
- (3) Derita Volunteer Fire Department, Inc.;
- (4) Gilead Volunteer Fire Department, Inc.;
- (5) Huntersville Volunteer Fire Department, Inc.;
- (6) Mallard Creek Fire Department, Inc.;
- (7) Newell Volunteer Fire Department, Inc.; and
- (8) Statesville Road Volunteer Fire Department, Inc.

These funds shall be used for equipment and operating expenses.

H2289 TOWN OF RONDA FUNDS

Ten thousand dollars (\$10,000) to the Town of Ronda in Wilkes County for public works including a water well and pump, an activities center, and new bathroom facilities.

H2291 SCHOOL/FOLKMOOT FUNDS

One thousand five hundred dollars (\$1,500) to the Haywood County Board of Education for a satellite system for Jonathan Valley Elementary School, provided a like amount is raised for this purpose from other sources.

Thirty-seven thousand five hundred dollars (\$37,500) to North Carolina International Folk Festival, Inc., (Folk moot USA) for operating expenses for running the folk festival which draws people from all over the world to Western North Carolina.

H2300 CONCORD SWIMMING POOL FUNDS

Fifteen thousand dollars (\$15,000) to the City of Concord in Cabarrus County for development of a community swimming pool.

H2301 CABARRUS SENIOR CENTER FUNDS

Forty-five thousand dollars (\$45,000) to Cabarrus County for the development of a Senior Citizens' Center, provided a like amount of non-State funds is raised by the County to match these funds on a dollar-for-dollar basis.

H2307 ALEXANDER HANDY CRAFTS (ADAP) FUNDS

Five thousand dollars (\$5,000) to the Foothills Area Mental Health, Mental Retardation, and Substance Abuse Program for Alexander Handycrafts, an Adult Developmental Activity Program, for construction of a new facility to house the Adult Developmental Activity Program which provides day services to 30 handicapped adults in Alexander County.

H2320 BURKE SPECIAL PROJECTS FUNDS

Four thousand dollars (\$4,000) to the Town of Rutherford College for the Memorial Park Fund to be used for construction and other expenses related to establishing the park area in Rutherford College.

Four thousand dollars (\$4,000) to The Outdoor Theatre Fund Charitable Trust to produce the outdoor drama "From This Day Forward".

Five thousand dollars (\$5,000) to Burke County Fair, Inc., to help pay for land purchased for the Burke County Fair, Inc., a nonprofit corporation. The net proceeds of funds raised by the fair shall be

distributed to local Ruritan Clubs and shall be used exclusively for charitable purposes.

Three thousand dollars (\$3,000) to the Drexel Foundation, Inc., to develop a public ball field for the Drexel Community Center in Drexel.

Two thousand dollars (\$2,000) to the Mull Athletic Foundation, Inc., to build a concession stand and restrooms for its summer Pee-Wee baseball program for ages 5 through 15 in Burke County.

Four thousand dollars (\$4,000) to the Burke County Rescue Squad to purchase the property on which the rescue squad's building is located.

Four thousand dollars (\$4,000) to the Department of Community Colleges to be used by the Western Piedmont Community College to purchase a bus for the Morganton/Burke Senior Center.

Four thousand dollars (\$4,000) to the Burke County Council on Alcoholism, Inc., for operating expenses, in alcohol abuse prevention and treatment.

H2366 CATAWBA COUNTY VISITORS FUNDS

Eight thousand dollars (\$8,000) to the Catawba County Chamber of Commerce, Inc., for expansion of the Catawba County Visitor Information Center facilities.

H2367 HIDDENITE CENTER, INC., FUNDS

Ten thousand dollars (\$10,000) to Alexander County for the Hiddenite Center, Inc., for operating expenses of its museum located in an historic building and its cultural arts programs.

H2382 CRAVEN, PAMLICO, LENOIR FUNDS

Eight thousand dollars (\$8,000) to the New Bern-Craven County YMCA, Incorporated, for a capital project to better enable YMCA to provide public service programs.

Three thousand dollars (\$3,000) to United Tri-County Senior Citizens Corporation, Incorporated, for operating expenses in providing services to older adults of Craven, Pamlico, and Jones counties, including nutrition, education, socialization, and transportation services.

One thousand dollars (\$1,000) to Harvey Gardens of Kinston, Inc., for paving, capital costs, and equipment.

Five thousand dollars (\$5,000) to the Pamlico County Board of Education for the Pamlico Hurricane Boosters Club for renovation and construction of athletic fields and facilities at Pamlico County High School.

Three thousand dollars (\$3,000) to Craven County for the "2001--

Strategic Planning Project," a venture to develop a strategic plan for county economic, educational, and cultural development.

One thousand dollars (\$1,000) to S.A.F.E. in Lenoir County, Inc., to provide assistance to victims of domestic violence.

One thousand dollars (\$1,000) to the Lenoir County Historical Association, Inc., to restore the historical Archbell House and Museum.

One thousand dollars (\$1,000) to the Eastern Minority Economic Development Corporation for economic development workshops for small businesses.

One thousand dollars (\$1,000) to Big Brothers/Big Sisters of the Lower Neuse for operating expenses incurred in providing services for children of single parents by matching these children with adult volunteers and providing these children with valuable and needed positive adult relationships.

Two thousand dollars (\$2,000) to Havelock Community Improvement Association to renovate the community center building.

Two thousand dollars (\$2,000) to The Pelican Players of Oriental, a nonprofit community theater group, for renovation of the Old Theater for arts programs.

Two thousand dollars (\$2,000) to Vanceboro Community Organization, Inc., for operating expenses for community programs.

H2384 WILKES COUNTY AIRPORT FUNDS

Fifteen thousand dollars (\$15,000) to Wilkes County for the County to provide water and sewer service to the Wilkes County Airport.

H2392 ANSON-MONTGOMERY PROJECTS FUNDS

Five hundred dollars (\$500.00) to the Cowan Recreation Center in Anson County to be used for July 4th celebrations.

Five hundred dollars (\$500.00) to the Town of Lilesville for the Lilesville Civic Builders to be used for July 4th celebrations.

Funds appropriated in Chapter 830 of the 1987 Session Laws for the 1987-88 fiscal year to the Lilesville Civic Builders and the Cowan Recreation Center for their annual July 4th celebrations in 1988 shall not revert at the end of the 1987-88 fiscal year or the 1988-89 fiscal year and may be used for subsequent July 4th celebrations.

One thousand dollars (\$1,000) to the Montgomery County Public Library for the purchase of books and other library services and for operating expenses and equipment.

One thousand dollars (\$1,000) to Montgomery County for the Women's Crisis Council for capital and operating expenses.

Two thousand dollars (\$2,000) to Anson County for the Faison Community Center, Inc., for capital and operating expenses.

H2394 ROCKINGHAM PROJECTS FUNDS

Five thousand dollars (\$5,000) to the Eden Boys' Club, Inc., for the Eden Boys' and Girls' Club Building Fund for a building to be used for public service projects.

Five thousand dollars (\$5,000) to the Madison Colored and Charles Drew Alumni Association, Inc., for renovation of the old Madison Colored School to be used as a community center for youth and public groups.

Five thousand dollars (\$5,000) to the City of Madison to pay for remodeling the Madison City Chambers.

Five thousand dollars (\$5,000) to REMMSCO, Inc., for an Alcoholics' Half-Way House for Rockingham County.

Five thousand dollars (\$5,000) to the Rockingham County Public Library for the Genealogy Department of the Madison Branch Library to be used to add new machines and additional shelving and to buy genealogy books as they become available.

Five thousand dollars (\$5,000) to Rockingham County Historical Society, Inc., for operating and capital expenditures.

H2404 RUTHERFORD-POLK HOSPICE FUNDS

Five thousand dollars (\$5,000) to Hospice of Rutherford County, Inc., for operating expenses in providing compassionate care to the terminally ill and their families.

Five thousand dollars (\$5,000) to Hospice of Polk County, Inc., for operating expenses in providing compassionate care to the terminally ill and their families.

H2405 RUTHERFORD ARTS/LIBRARY FUNDS

Five thousand dollars (\$5,000) to the Mooneyham Public Library in Rutherford County for operating expenses in running its library program.

Five thousand dollars (\$5,000) to the Rutherford County Arts Council for operating expenses in running its arts and cultural programs for the citizens of Rutherford County and the surrounding area.

H2406 RUTHERFORD ABUSE PREVENTION FUNDS

Five thousand dollars (\$5,000) to Prevention of Abuse in the Home, Inc., of Rutherford County for operating expenses in running its program aimed at the prevention of abuse in the home.

H2408 CHARLOTTE CHILDREN'S LITTLE THEATER FUNDS

Ten thousand dollars (\$10,000) to The Children's Theater of

Charlotte, Inc., in the City of Charlotte for operating expenses, for capital improvements, and for construction of a ramp to permit the handicapped access to the theater's productions.

H2409 FLORENCE CRITTENTON SERVICES FUNDS

Ten thousand dollars (\$10,000) to the Florence Crittenton Services, Incorporated, in Mecklenburg County, for operating expenses in running its services for young women in crisis.

H2410 IREDELL TRAINING FUNDS

Ten thousand dollars (\$10,000) to the Iredell County Firemen's Association, Inc., for the construction, in the City of Statesville, of a fire training ground to include a two-story fire and smoke house, provided that a like amount is raised, in cash, by the Iredell County Firemen's Association, Inc., to match the grant-in-aid on a dollar-for-dollar basis.

H2411 STATESVILLE HIGH AUDITORIUM FUNDS

Twenty thousand dollars (\$20,000) to the Statesville City Board of Education for the renovation of the Statesville High School auditorium.

H2419 2ND DISTRICT FUNDS

Four thousand dollars (\$4,000) to the Pinetown Volunteer Firemen's Association, Inc., in Beaufort County, for the operating and capital expenses of the association.

Three thousand dollars (\$3,000) to Hyde County for repairs and renovations to the Sladesville Community Building, which is used for civic activities.

Four thousand dollars (\$4,000) to the Washington City Board of Education for repairs and renovations of the auditorium of Washington High School, which is located in Beaufort County.

Four thousand dollars (\$4,000) to The Wagner Foundation for an athletic complex for new schools for the City of Washington in Beaufort County.

Two thousand dollars (\$2,000) to Washington County for a livestock arena.

Four thousand dollars (\$4,000) to the Town of Creswell in Washington County for repairs and renovations to the community building, which is used for civic activities.

Three thousand dollars (\$3,000) to Beaufort County for repairs and renovations to the Winsteadville Community Building, which is used for civic activities.

Four thousand dollars (\$4,000) to Beaufort County for Veteran's

Park.

Two thousand dollars (\$2,000) to Options To Domestic Violence and Sexual Assault, Inc., in Beaufort County, for the operating and capital expenses of its domestic violence center.

H2420 EASTERN MUSIC FESTIVAL FUNDS

Twenty thousand dollars (\$20,000) to the Eastern Music Festival, Inc., for special funds to implement a major program expansion in the areas of increased artists' salaries, increased scholarship support, and expanded marketing and fund raising programs.

H2421 GREENSBORO FAMILY SERVICES FUNDS

Ten thousand dollars (\$10,000) to the Family & Children's Service of Greater Greensboro, Inc., for operating expenses for its public service programs.

H2425 CHARLOTTE CRISIS CENTER FUNDS

Ten thousand dollars (\$10,000) to the Department of Human Resources to assist in purchasing and renovating a permanent home for The Relatives, Inc., a family crisis intervention and counseling center in Charlotte.

H2426 METROLINA ASSOC. FOR BLIND FUNDS

Five thousand dollars (\$5,000) to Metrolina Association for the Blind, Inc., for general operating expenses and to expand special services for the blind citizens of the Metrolina area.

H2431 GARNER SENIOR CENTER FUNDS

Ten thousand dollars (\$10,000) to The Garner Senior Center, Inc., in Wake County for construction and operating expenses to enable the Center to provide its services and programs to the senior citizens of Garner and the surrounding area.

H2435 ANSON-MONTGOMERY FIRE AND RESCUE FUNDS

Ten thousand dollars (\$10,000) to Anson County for the Anson County Firemen's Association, to be divided equally among the volunteer fire departments in Anson County for operating expenses and equipment.

Ten thousand dollars (\$10,000) to Montgomery County for the Montgomery County Fire Commission, to be divided equally among the volunteer fire departments in Montgomery County for operating expenses and equipment.

One thousand five hundred dollars (\$1,500) to the Uhwarrie Volunteer Fire Department, Inc., in Montgomery County for

operating expenses and equipment.

One thousand five hundred dollars (\$1,500) to the Pekin Volunteer Fire Department, Inc., in Montgomery County for operating expenses and equipment.

One thousand dollars (\$1,000) to the Burnsville Fire and Rescue Ambulance Service, Inc., in Anson County for operating expenses and equipment.

One thousand dollars (\$1,000) to the Ansonville Rescue and Ambulance Service, Inc., in Anson County for operating expenses and equipment.

H2436 OLD SALEM FUNDS

Five thousand dollars (\$5,000) to Old Salem, Inc., to enable Old Salem, Inc., to provide North Carolina students and adult visitors with a quality educational experience in a museum setting.

H2437 LIONS SERVICES FUNDS

Ten thousand dollars (\$10,000) to the Lions Services, Inc., in Mecklenburg County for training and employment of the blind.

H2440 HISTORIC BETHABARA FUNDS

Five thousand dollars (\$5,000) to Historic Bethabara Park, Inc., to purchase fencing for the Moravian Upland Garden, an American colonial kitchen garden, which is in the process of being reconstructed and will add to the historic and educational resources of Bethabara Park in Forsyth County.

H2442 ORANGE-CHATHAM PROJECTS FUNDS

Five thousand dollars (\$5,000) to Chatham County for assistance in providing needed law enforcement services around B. Everett Jordan Reservoir.

Seven thousand five hundred dollars (\$7,500) to the Joint Orange-Chatham Community Action, Inc., for its operations, emergency assistance program, and senior citizens center and programs.

Five thousand dollars (\$5,000) to the Historic Hillsborough Commission in Orange County for improvements and repairs to the historic Burwell School in Hillsborough.

Five thousand dollars (\$5,000) to the Orange-Chatham Comprehensive Health Services, Inc., for improvements to its health facilities and waste water treatment system in the Haywood-Moncure Center in Chatham County.

Five thousand dollars (\$5,000) to the Inter-Church Council for Social Service, Inc., in Orange County for the renovation of a public building to accommodate the homeless.

Two thousand five hundred dollars (\$2,500) to the Orange County Rape Crisis Center for its programs and activities.

H2443 FAMILY HOUSING SERVICES FUNDS

Five thousand dollars (\$5,000) to Family Housing Services, Inc., for general operating expenses so that Family Housing Services, Inc., can continue to provide services to low-income families and to assist in preventing foreclosure of homes.

H2444 MCDOWELL ARTS AND CRAFTS FUNDS

Seven thousand five hundred dollars (\$7,500) to McDowell Arts and Crafts Association to build a community arts facility.

H2445 MCDOWELL RECREATIONAL CENTER FUNDS

Seven thousand five hundred dollars (\$7,500) to McDowell County for a recreational center. These funds may be allocated to the local recreational commission or to a nonprofit foundation or corporation if the County Commissioners determine that the facility can best be built by such an organization.

H2446 FORSYTH YWCA FUNDS

Three thousand dollars (\$3,000) to the Young Women's Christian Association of Winston-Salem and Forsyth County, Inc., for the improvement and expansion of its services, which are designed to enhance the mental and physical needs of many citizens in Forsyth County.

H2447 COMMUNITY PENALTIES PROGRAM FUNDS

Two thousand dollars (\$2,000) to Community Corrections Resources, Inc., to assist in the costs of transferring the administration of the Community Penalties Program to a new, independent agency, Community Corrections Resources, Inc.

H2449 RUTHERFORD INDUSTRIAL DEVELOPMENT FUNDS

Five thousand dollars (\$5,000) to Rutherford County for the Rutherford County Industrial Development Commission, for incentives for industrial development in Rutherford County, which development will benefit not only Rutherford County but the entire region.

H2452 WESTERN NC PROJECTS FUNDS

Five thousand dollars (\$5,000) to Graham County for the Santeetlah Community Center, which will provide a recreation and education center for five rural communities north of Robbinsville and serve as headquarters for a recently established volunteer fire department.

Five thousand dollars (\$5,000) to the Valletown Cultural Arts and Historical Society, Inc., in Cherokee County to promote the arts.

Five thousand dollars (\$5,000) to the Unaka Volunteer Fire Department, Inc., in Cherokee County to purchase a pumper and other fire equipment which will aid the department in greater fire protection for the community.

Five thousand dollars (\$5,000) to Clay County to assist in the cost of the county's mapping project.

Five thousand dollars (\$5,000) to the Town of Highlands in Macon County to be used by the Scottish Tartans Society, an organization dedicated to the preservation of Scottish dress and heritage, for operating expenses of the Scottish Tartans Museum. The museum will serve as a focal point for people of Scottish heritage from all over the United States and Canada, as well as North Carolina.

Five thousand dollars (\$5,000) to the Western North Carolina Public Radio, Inc., in Buncombe County, a nonprofit community based corporation that operates Public Radio Station WCQS-FM, to help expand WCQS-FM's services to Cherokee, Clay, Graham, Macon, and Swain Counties for purchase of equipment to record events outside its studios for later broadcast.

H2453 N.C. NURSES ASSOC. FUNDS

Thirty thousand dollars (\$30,000) to the North Carolina Nurses Association to develop and implement a student nurse recruitment program for high school students.

H2455 FORSYTH PUBLIC SERVICE FUNDS

Five thousand dollars (\$5,000) to The Arts Council, Inc., for the administrative costs of The Arts Council, Inc., which makes the arts available to citizens of North Carolina.

Four thousand dollars (\$4,000) to the Winston-Salem Symphony Association, Incorporated, to continue its education program, to purchase musical instruments and equipment, and to renovate its office facility.

Two thousand dollars (\$2,000) to the Piedmont Opera Theater, Inc., to continue its education and outreach campaign.

Four thousand dollars (\$4,000) to The Little Theater of Winston-Salem, Inc., for general operating expenses so that it can continue to provide the community with theatrical arts.

H2456 CARTERET-ONSLow AREA FUNDS

One thousand one hundred twenty-five dollars (\$1,125) to Onslow County for the White Oak Little League Association for lights for the playing field.

One thousand one hundred twenty-five dollars (\$1,125) to the Town of Swansboro for the Swansboro Little League for maintenance.

One thousand one hundred twenty-five dollars (\$1,125) to Onslow County for Onslow County Peers, which provides counseling to prevent child abuse, for operating expenses.

Three thousand seven hundred fifty dollars (\$3,750) to Carobell Children's Home, Inc., a home for severely mentally and physically handicapped children for operating expenses.

Three thousand seven hundred fifty dollars (\$3,750) to Carteret County Historical Society, Inc., for operating expenses.

Nine thousand dollars (\$9,000) to Beaufort Historical Association, Inc., for operating expenses.

One thousand one hundred twenty-five dollars (\$1,125) to Angola Community Association, a community service organization, for operating expenses.

Five thousand six hundred twenty-five dollars (\$5,625) to Help Line of Carteret County, Inc., to set up a domestic violence program.

One thousand one hundred twenty-five dollars (\$1,125) to Onslow Hospice, Inc., for operating expenses in providing compassionate care for the terminally ill and their families.

One thousand one hundred twenty-five dollars (\$1,125) to Onslow Coordinating Council on Aging, Inc., for operating expenses.

One thousand one hundred twenty-five dollars (\$1,125) to Carteret County Council on Aging, Inc., for operating expenses.

H2458 65TH HOUSE DISTRICT SPECIAL FUNDS

Three thousand dollars (\$3,000) to the Town of Wake Forest for construction or improvement of the Senior Citizen's facility.

Two thousand dollars (\$2,000) to the Town of Rolesville for the recreation program.

Three thousand dollars (\$3,000) to the Town of Zebulon for the Zebulon Recreation Park.

Three thousand dollars (\$3,000) to the Town of Wendell for construction or improvement of a Senior Citizen's facility.

Two thousand dollars (\$2,000) to the Raleigh Arts Foundation, Inc., for operating expenses to serve as an umbrella organization to raise private sector funds to support arts organizations in the capital city area, to serve as a coordinator of the developmental activities of those nonprofit organizations, and to stimulate artistic growth.

Two thousand dollars (\$2,000) to the Hopkins Rural Fire Department for equipment.

One thousand dollars (\$1,000) to the Tammy Lynn Memorial Foundation, Inc., for operational funds in providing services to the handicapped.

One thousand dollars (\$1,000) to the Family Violence Center, Inc., for the Interact Program to help troubled families.

One thousand dollars (\$1,000) to the Loaves and Fishes Ministry, Inc., for operational funds for the intensive care program for young children with severe learning problems.

One thousand dollars (\$1,000) to the Women's Center of Raleigh for operational funds to provide services for women and children in the area.

One thousand dollars (\$1,000) to the North Carolina Council of Women's Organizations, Inc., for operational expenses for the Women's Resource Center to provide public service programs.

One thousand dollars (\$1,000) to the Frankie Lemmon Foundation, Inc., for operational funds for its public service programs.

Two thousand dollars (\$2,000) to the Rural Community Network Resource Center for operational funds to provide public service programs.

One thousand dollars (\$1,000) to the Young Women's Christian Association of Wake County, North Carolina, Inc., for playground equipment for public programs at the Oberlin Road and Hargett Street sites.

One thousand dollars (\$1,000) to the Shelley School Child Development Center for operational funds to provide services to children with moderate to severe mental retardation and associated developmental disabilities.

One thousand dollars (\$1,000) to the Girls Club of Wake County for operational funds for its public service programs.

One thousand dollars (\$1,000) to the Friends of the Page-Walker Hotel, Inc., for restoration of the historic Page-Walker Hotel in Cary.

Two thousand dollars (\$2,000) to the Falls Rural Volunteer Fire Department, Inc., for equipment.

One thousand dollars (\$1,000) to Life Experience, Inc., in Wake County for operating expenses in providing its public service programs and activities for mentally disabled adults.

H2460 CHARLOTTE AREA FUNDS

One thousand dollars (\$1,000) to Tarradiddle Players for the purchase of a van to transport costumes and theatrical equipment to schools and theaters in North Carolina for performances given by the Tarradiddle Players, a touring acting company in Charlotte dedicated to theater for children.

One thousand dollars (\$1,000) to The Charlotte Shakespeare Company so that The Charlotte Shakespeare Company can continue to provide free professional theater to the citizens of North Carolina.

Three thousand dollars (\$3,000) to St. Mark's Center, Inc., to

purchase special equipment and materials for the mentally retarded children and adults that St. Mark's Center in Charlotte serves.

H2468 FORSYTH OMNIBUS FUNDS

(a) Thirty thousand dollars (\$30,000) to the Winston-Salem Foundation, Inc., in Forsyth County for various community organizations. These funds shall be allocated among the following community organizations:

(1) Arts and Cultural Resources

- a. The Arts Council, Inc.;
- b. North Carolina Dance Theatre;
- c. Winston-Salem Symphony Association, Incorporated;
- d. Piedmont Opera Theater, Inc.;
- e. The Little Theater of Winston-Salem, Inc.

(2) Human Resources, Justice, and Education

- a. Neighborhood Justice Center of Winston-Salem/Forsyth County, Inc.
- b. Family Services, Inc., for the battered Women's Shelter of Winston-Salem, Forsyth County;
- c. Winston-Salem/Forsyth County Council on the Status of Women, Inc.;
- d. Lift, Inc., for learning center and academy;
- e. Experiment in Self-Reliance, Inc.

(b) Of the funds appropriated in subsection (a) of this section, six thousand two hundred dollars (\$6,200) shall be allocated to The Arts Council, Inc. Except for the funds allocated to The Arts Council, Inc., the Winston-Salem Foundation, Inc.'s governing board shall allocate the funds to the remaining organizations at its discretion, according to the greatest needs at this time. The Winston-Salem Foundation, Inc., shall disperse the funds at the earliest date possible in 1988 upon receiving them.

(c) The organizations listed in subsection (a) of this section shall give their requests for funding to the Winston-Salem Foundation, Inc., who shall report to the Fiscal Research Division and the General Assembly's Base Budget and Expansion Budget Committees by March 1, 1989, on how the funds appropriated in this section are used.

H2469 YANCEY E.M.S. AND RESCUE FUNDS

Five thousand four hundred dollars (\$5,400) to Yancey County for its Emergency Medical Services to purchase equipment.

Two thousand six hundred dollars (\$2,600) to Yancey County Rescue Squad to purchase equipment.

H2470 MINT HILL HISTORICAL FUNDS-2

Five thousand dollars (\$5,000) to the Mint Hill Historical Society, Inc., for the purchase, renovation, and/or restoration of buildings of historic character within the Town of Mint Hill.

H2471 CHARLOTTE CRISIS PREGNANCY FUNDS

Ten thousand dollars (\$10,000) to the Charlotte Crisis Pregnancy Center, Inc., for operating expenses.

H2472 GASTON AND LINCOLN FUNDS

Five thousand dollars (\$5,000) to the Lincoln Wildlife Orphanage, Incorporated, in Lincoln County for the care of orphaned wildlife until they are able to be returned to their natural habitats.

Nine thousand dollars (\$9,000) to Gaston Skills, Incorporated, in Gaston County for expansion of the production area of its sheltered workshop for the handicapped.

Eight thousand dollars (\$8,000) to the South Point Life Saving Crew, Inc., in Gaston County for equipment and furnishings for their new headquarters building.

Eight thousand dollars (\$8,000) to the Town of Stanley in Gaston County for the Stanley C.D. Rescue Squad crash truck and equipment.

H2477 DUPLIN AGRICULTURAL FUNDS

Two thousand dollars (\$2,000) to the Duplin County Agribusiness Council, Inc., for the promotion of agriculture.

H2478 JONES NUTRITION PROGRAMS

Two thousand dollars (\$2,000) to the Jones County Unit of United Tri-County Senior Citizens Corporation, Inc., for nutrition programs.

H2479 JONES-DUPLIN FIRE FUNDS

Six thousand dollars (\$6,000) to the Jones County Emergency Management Office to be allocated to the fire departments in that county on the basis of one thousand dollars (\$1,000) each.

Twenty thousand dollars (\$20,000) to the Duplin County Emergency Services Office to be allocated to the fire departments in that county on the basis of one thousand dollars (\$1,000) each.

H2484 TRI-COUNTY MENTAL HEALTH FUNDS

Thirty thousand dollars (\$30,000) to the Department of Human Resources, Division of Mental Health, Mental Retardation, and Substance Abuse Services for the Tri-County Area Authority in Rowan County to assist with operating costs of its area services and programs.

H2485 MARTIN-BERTIE FIRE FUNDS

Five thousand dollars (\$5,000) to Martin County to be allocated to the fire departments listed below as follows:

- (1) One thousand dollars (\$1,000) to Bear Grass Fire Department;
- (2) One thousand dollars (\$1,000) to Griffin Township Fire Department;
- (3) One thousand dollars (\$1,000) to Jamesville Fire Department; and
- (4) Two thousand dollars (\$2,000) to Williamston Fire Department.

These funds shall be used for operating expenses and to purchase equipment.

Five thousand dollars (\$5,000) to Bertie County to be allocated to the fire departments listed below as follows:

- (1) Five hundred dollars (\$500.00) to Perrytown Fire Department;
- (2) Five hundred dollars (\$500.00) to Trap Fire Department;
- (3) One thousand dollars (\$1,000) to Aulander Fire Department;
- (4) One thousand dollars (\$1,000) to Colerain Fire Department;
- (5) One thousand dollars (\$1,000) to Powellville Fire Department; and
- (6) One thousand dollars (\$1,000) to Windsor Fire Department.

These funds shall be used for operating expenses and to purchase equipment.

H2486 MCELROY HOUSE FUNDS

Seven thousand dollars (\$7,000) to the Yancey History Association for the preservation and renovation of the historic McElroy House.

H2487 JOHNSTON BICENTENNIAL PROJECT FUNDS

Seven thousand five hundred dollars (\$7,500) to Johnston County for the Johnston County Bicentennial Committee for operating expenses and construction costs associated with projects that are part of the bicentennial celebration in Johnston County.

H2488 FRANKLIN FUNDS

Twelve thousand five hundred dollars (\$12,500) to Franklin County to be allocated as follows:

- (1) Seven thousand five hundred dollars (\$7,500) for the Bunn Branch of the Franklin County Public Library for capital improvements, operating expenses, or supplies, and
- (2) Five thousand dollars (\$5,000) for an access ramp for the handicapped at the Agriculture Building.

H2493 ARCHDALE PUBLIC LIBRARY FUNDS

Eleven thousand dollars (\$11,000) to the City of Archdale to construct a new public library building, provided a like amount is raised by the city to match this grant on a dollar-for-dollar basis.

H2494 MECKLENBURG HUMAN SERV./CULT. FUNDS

One thousand dollars (\$1,000) to the Department of Human Resources, Division of Health Services, to provide funding to the community-based Sickle Cell Centers, for the treatment and counseling of individuals suffering from sickle cell anemia.

Five thousand dollars (\$5,000) to the Community Health Services of Mecklenburg and Union Counties, Inc., Arthritis Patient Services Division, a nonprofit United Way Agency, for general operating expenses and staff expansion to the underserved areas of Mecklenburg County.

Two thousand dollars (\$2,000) to the Mental Health Association of Mecklenburg County for its activities and programs designed to promote good mental health, prevent mental illness, and see that proper care and treatment are available to those who seek care.

One thousand dollars (\$1,000) to Autistic Opportunities, Inc., toward the costs of a new supported employment project to establish a bakery for autistic adults and adolescents in the Metrolina area.

One thousand dollars (\$1,000) to the Charlotte Mecklenburg Afro-American Cultural and Service Center, Inc., to assure the Center's ongoing development as a center for all people which promotes, presents, and preserves history and culture.

H2495 MECKLENBURG AREA FUNDS

Two thousand dollars (\$2,000) to The Bethlehem Center of Charlotte, Inc., in Mecklenburg County to promote community service programs.

One thousand dollars (\$1,000) to the Florence Crittenton Services, Incorporated, in Mecklenburg County to expand its residential service to young women.

One thousand dollars (\$1,000) to the Carolina Raptor Center, Inc., in Mecklenburg County for the purpose of continuing their research about, rehabilitation of, and conservation of birds of prey, some of which are on the endangered species list.

Two thousand dollars (\$2,000) to The Charlotte Shakespeare Company to continue to provide free professional theater to the citizens of North Carolina.

Five thousand dollars (\$5,000) to Mecklenburg County for the Mecklenburg County Parks and Recreation Department to establish a greenways and parks pilot program, to include the production of a

video tape and pamphlet explaining the need for greenways and the requirements for earning a Girl Scout Park Badge.

H2499 N.E. AREA FUNDS

One thousand dollars (\$1,000) to Harrellsville Volunteer Fire Department, Inc., to purchase equipment.

Two thousand six hundred dollars (\$2,600) to the Hertford County 4-H Foundation, Inc., for the Hertford-Northampton 4-H Livestock Association to be used for capital improvements for the 4-H livestock building in Murfreesboro.

Two thousand dollars (\$2,000) to the Gates Volunteer Fire Department, Inc., to purchase equipment.

Two thousand dollars (\$2,000) to the Eure Volunteer Fire Department, Inc., to purchase equipment.

Three thousand dollars (\$3,000) to the Town of Winton for the Winton Fire Department to purchase equipment.

Two thousand dollars (\$2,000) to the Gates County Board of Education to assist in the purchase of band uniforms.

Two thousand four hundred dollars (\$2,400) to Northampton County to be used for drainage projects.

Four thousand dollars (\$4,000) to the Northampton County Museum, Inc., for operating expenses of the museum which enriches the life of the community and those who visit it.

Two thousand dollars (\$2,000) to the Murfreesboro Fire Department to purchase equipment.

Three thousand dollars (\$3,000) to The Murfreesboro Historical Association, Inc., for building improvements to historic properties in Murfreesboro.

Two thousand dollars (\$2,000) to Hertford County for the Hertford County Senior Center in Winton to use for building improvements.

Two thousand dollars (\$2,000) to Hertford County for Roanoke Chowan S.A.F.E., a shelter for domestic violence victims, to help support the services that are offered to those victims.

Two thousand dollars (\$2,000) to Hertford County for Roanoke Chowan Industries, a shelter workshop, to assist with the operating costs of its community service programs.

H2500 61ST HOUSE DISTRICT SPECIAL FUNDS

Eight thousand dollars (\$8,000) to the Capital Area Arts Foundation, Inc., for operational funds required in providing the community with arts performances and exhibits.

Five thousand dollars (\$5,000) to The North Carolina Theatre for operational funds in providing theatrical performances for the community.

Two thousand dollars (\$2,000) to Rehabilitation Services of Wake County, Incorporated, for operational funds in providing rehabilitation services and job training for the disabled.

Two thousand dollars (\$2,000) to the Wake County Association for Retarded Citizens, Inc., for operational expenses in providing services for Wake County's retarded citizens.

One thousand dollars (\$1,000) to the Shepherd's Table Soup Kitchen, Inc., for operational expenses in providing meals for the homeless and the needy.

One thousand dollars (\$1,000) to the Tammy Lynn Memorial Foundation, Inc., for operational expenses in providing services for mentally retarded children.

One thousand dollars (\$1,000) to Hospice of Wake County, Inc., for operational expenses in providing compassionate care to the terminally ill and their families.

One thousand dollars (\$1,000) to Meals on Wheels of Wake County, Inc., for operational expenses in providing hot meals to the elderly and disabled in their own homes.

One thousand dollars (\$1,000) to the Raleigh Symphony Orchestra, Incorporated, for operational expenses in providing live orchestra performance experience for talented young people in Raleigh and the surrounding area.

One thousand dollars (\$1,000) to the Wake County Arts Council, Inc., for operational expenses in providing art and cultural exhibits for the community.

One thousand dollars (\$1,000) to Artspace, Inc., for operational expenses in providing art and cultural exhibits for the community.

One thousand dollars (\$1,000) to the Raleigh Boychoir, Inc., for operational expenses in providing professional quality vocal music performances for the community.

One thousand dollars (\$1,000) to the Shelley School Child Development Center for operational expenses in providing educational and other related services to mentally retarded children from 18 months to 8 years.

One thousand dollars (\$1,000) to the North Carolina State University Education Foundation, Inc., for operational expenses in providing educational services and incentives to the community.

One thousand dollars (\$1,000) to FIGS of Wake County, Inc., for operational expenses for the Medicine for Poor Program.

Two thousand dollars (\$2,000) to Wake Enterprises, Inc., for operational expenses in providing employment opportunities for the disabled.

H2501 RICHMOND AREA FUNDS

Fourteen thousand dollars (\$14,000) to The Samaritan Colony, Incorporated, an alcohol and drug rehabilitation center in Richmond County, for renovation of the dormitory.

Five thousand dollars (\$5,000) to the Beaver Dam Community Development Corporation, to provide funds for development of community recreational facilities.

Nine thousand dollars (\$9,000) to the Friends of the Hamlet Library, Inc., for construction of additional space for the Hamlet Library.

Two thousand dollars (\$2,000) to the Richmond County Board of Education, to provide funds for the Roberdel Children's Center to be allocated as follows:

- (1) One thousand five hundred dollars (\$1,500) for the purchase of a VHS Movie Camcorder to establish an Adaptive Physical Education Curriculum; and
- (2) Five hundred dollars (\$500.00) for equipment and supplies for the Association for Retarded Citizens Summer Camp Program.

H2504 JAMESTOWN SCHOOL FUNDS .

Twenty-five thousand dollars (\$25,000) to the old Jamestown School Association, Inc., in Guilford County for capital improvements, furnishings, and equipment needed to complete the restoration of the historic Old Jamestown School as a public library.

H2505 CUMBERLAND AND OTHER COUNTIES FUNDS

Three thousand dollars (\$3,000) to The Arts Council of Fayetteville/Cumberland County, Inc., for office equipment, art materials and supplies, and operational expenses.

One thousand five hundred dollars (\$1,500) to the Cumberland Senior Roundtable, Incorporated, for office materials, supplies, and operational expenses.

Two thousand dollars (\$2,000) to Southeastern Cumberland County Rural Community Association, Inc., for community projects including after school programs, programs for adults and senior citizens, playground equipment, and classroom air conditioners.

Three thousand dollars (\$3,000) to People Assisting Victims for assistance to victims of crimes.

Three thousand five hundred dollars (\$3,500) to the Town of Stedman, Cumberland County, for the purchase of an emergency generator for the Town of Stedman's water supply system.

Two thousand dollars (\$2,000) to the Cumberland County Rescue Squad for radio equipment.

Three thousand dollars (\$3,000) to Cape Fear Teen Center for the construction and operation of a recreational center that will serve junior high and high school students throughout Cumberland County.

Two thousand dollars (\$2,000) to the Town of Spring Lake for operational expenses for the Spring Lake Senior Citizens Center.

Three thousand dollars (\$3,000) to the Eastover Community Park Association, Inc., to purchase materials and athletic supplies.

One thousand dollars (\$1,000) to the Cumberland County Sheltered Workshop for rest room construction.

Four thousand dollars (\$4,000) to The Cape Fear Regional Theatre at Fayetteville, Inc., for operational expenses.

Two thousand dollars (\$2,000) to the Cumberland County Association for Indian People for operational expenses and building maintenance.

Twenty thousand dollars (\$20,000) to Cabarrus County for the development of a Senior Citizens' Center, provided that Cabarrus County raises a like amount of local funds to match this grant on a dollar-for-dollar basis.

Five thousand dollars (\$5,000) to Stanly County for capital expenditures for the Stanly County Senior Citizens' Center.

Five thousand dollars (\$5,000) to Union County for capital expenditures for the Ellen Fitzgerald Senior Citizens' Center.

H2507 23RD HOUSE DISTRICT SPECIAL FUNDS

Three thousand dollars (\$3,000) to Operation Breakthrough, Inc., for operational funds.

Two thousand dollars (\$2,000) to The Scarborough Nursery School, Incorporated, to provide preschool for disadvantaged children.

One thousand dollars (\$1,000) to the Coordinating Council for Senior Citizens, Durham, N. C., for operational funds.

One thousand dollars (\$1,000) to the Durham Congregations In Action for operational funds.

Ten thousand dollars (\$10,000) to the Durham Housing Authority for the Youth Enrichment and Education Program.

Eight thousand dollars (\$8,000) to the Lincoln Community Health Center, Incorporated, for operational funds.

Five thousand dollars (\$5,000) to the Edgemont Community Center, Inc., for operational funds.

H2508 PITT-GREENE FUNDS

One thousand five hundred dollars (\$1,500) to the Town of Ayden Recreation Department for equipment and improvements.

One thousand dollars (\$1,000) to the Pitt County Board of County Commissioners for an irrigation system at the Ayden-Grifton High

School.

One thousand dollars (\$1,000) to the Town of Belvoir for the Belvoir Fire Department for a fire hydrant.

One thousand five hundred dollars (\$1,500) to the Town of Grifton for depot renovation.

Three thousand dollars (\$3,000) to Greene County for equipment and supplies for Fire Departments and Rescue Squads in the county.

Five hundred dollars (\$500.00) to the Greene County Board of Education for band uniforms and equipment for the public schools.

One thousand dollars (\$1,000) to Greene County for equipment and supplies for the County Arts Program in Snow Hill.

Five hundred dollars (\$500.00) to the Town of Farmville for the senior citizens center for equipment and supplies.

Five hundred dollars (\$500.00) to the Town of Farmville for the Dogwood Spring Festival for operations and promotion.

Five hundred dollars (\$500.00) to the Farmville Child-Developmental Center, Inc., for equipment and supplies for the Center's programs for children.

Five hundred dollars (\$500.00) to the Greenville Community Life Center, Inc., for a new roof for the Center's facility.

Five hundred dollars (\$500.00) to the Greenville Area Preservation Association to publish an architectural directory for Pitt County.

One thousand dollars (\$1,000) to the City of Greenville for equipment and supplies for the Chestnut Street Fire Station and Recreation Facility.

Five hundred dollars (\$500.00) to the City of Greenville to contract for a director for the Wellness Council.

Five hundred dollars (\$500.00) to Real Crisis Intervention, Inc., for operations.

Five hundred dollars (\$500.00) to Pitt County for the athletic field project at the G.R. Whitfield School.

Five hundred dollars (\$500.00) to the Village of Simpson for the municipal building fund.

One thousand five hundred dollars (\$1,500) to the Town of Winterville for repairs to the Community Center and for the Historical and Art Society.

One thousand dollars (\$1,000) to the Winterville Rescue Squad for a new building provided that the Squad matches the State aid funds on a dollar-for-dollar basis.

One thousand dollars (\$1,000) to the Board of Governors of The University of North Carolina for the East Carolina University Friends of Music for scholarships.

Five hundred dollars (\$500.00) to the Board of Governors of The University of North Carolina for the East Carolina University School

of Medicine Rainbow Services for equipment and supplies for the Program for Pediatric Cancer Victims.

Five hundred dollars (\$500.00) to the Board of Governors of The University of North Carolina for the East Carolina University School of Medicine Creative Living Center for equipment and supplies for the Senior Daycare program.

Five hundred dollars (\$500.00) to the Greene County Council on Aging for a Senior Citizens Center.

Seven hundred fifty dollars (\$750.00) to Greene County for the Greene County Educational Enrichment Program.

Five hundred dollars (\$500.00) to the Pitt-Greenville Arts Council for equipment and supplies.

Five hundred dollars (\$500.00) to the Department of Community Colleges for Pitt Community College for the vocational education study.

Five hundred dollars (\$500.00) to the Boys Club of Pitt County, Inc., for equipment and supplies for programs for youth.

Three thousand dollars (\$3,000) to Pitt County for equipment and supplies for the Pitt County Fire and Rescue Squads.

Five hundred dollars (\$500.00) to Pitt County Senior Citizens for equipment and supplies.

Five hundred dollars (\$500.00) to Pitt County for the library at the Wellcome Middle School.

Two hundred dollars (\$200.00) to Pitt County for the Pitt County Council on Aging, for the Retirement Living Course.

Five hundred dollars (\$500.00) to Children's Services of Eastern Carolina, Inc., for equipment and supplies at the Ronald McDonald House.

Five hundred fifty dollars (\$550.00) to Pitt County Memorial Hospital, Incorporated, for the volunteer auxiliary program.

Seven hundred fifty dollars (\$750.00) to Pitt County Memorial Hospital, Incorporated, for a mobile phone for the neonatal ambulance.

Five hundred dollars (\$500.00) to the Board of Governors of The University of North Carolina for the East Carolina University School of Medicine Kids-In-Motion Program for equipment and supplies.

Seven hundred fifty dollars (\$750.00) to Pitt County Commissioners for recreation equipment and supplies at the Chicod Elementary School.

Five hundred dollars (\$500.00) to Pitt County for community and school projects and the Pactolus School.

H2509 WILSON-EDGECOMBE-NASH COUNTIES FUNDS

Five thousand dollars (\$5,000) to the Ebenezer Baptist Church

Child Care Center for operating expenses in providing day care to the public.

Seven thousand dollars (\$7,000) to the Wilson Community Improvement Association, Incorporated, in Wilson County to support the community improvement programs of the Association.

Five thousand dollars (\$5,000) to the Elm City Emergency Services, Inc., in Wilson County for operating expenses to continue to provide emergency service to the Elm City community.

Five thousand dollars (\$5,000) to The Kizito Projects, Incorporated, in Wilson County for operating expenses of its youth employment and tutorial programs.

Four thousand dollars (\$4,000) to the Eastern North Carolina Minority Business Council in Edgecombe County for operating expenses of its public service programs.

Four thousand dollars (\$4,000) to Saint Augustine's College in Wake County for operating expenses incurred in running its Education Talent Search Project, which is designed to encourage minority and other youths to continue their educations.

H2510 68TH HOUSE DISTRICT SPECIAL FUNDS

Six thousand dollars, (\$6,000) to the Department of Community Colleges for the Durham Technical Community College to continue programs encouraging the active participation of retirees as volunteers in the Retired Senior Volunteer Program (RSVP) in Durham County.

Three thousand dollars (\$3,000) to The Prison & Jail Project, Inc., for the Durham Community Penalties Program to continue programs of alternative sentencing for court review in Durham County.

Five thousand dollars (\$5,000) to the Edgemont Community Center, Inc., to meet transportation needs of programs providing educational, recreational, and cultural experience to adolescents in the Edgemont Community-Few Gardens Housing Community.

Two thousand five hundred dollars (\$2,500) to the Durham County Mental Health Department to continue preventative child abuse programs educating parents on child-rearing and parenting through Welcome Baby.

H2511 CHANGE PROGRAM FUNDS

Ten thousand dollars (\$10,000) to the Orange/Durham Coalition for Battered Women to continue the CHANGE Program of counseling to abusive spouses.

H2512 STRAWBERRY FESTIVAL FUNDS

One thousand five hundred dollars (\$1,500) to the North Carolina Strawberry Festival at Chadbourne, N. C., Inc., in Columbus County, for operating expenses for the Strawberry Festival, North Carolina's

oldest continuous agricultural festival.

H2513 TABOR CITY CULTURAL FUNDS

Ten thousand dollars (\$10,000) to the Greater Tabor City Chamber of Commerce for cultural events and projects in the Town of Tabor City in Columbus County. These funds shall be allocated as follows:

- (1) Seven thousand five hundred dollars (\$7,500) for restoration of the historic Ritz Theater; and
- (2) Two thousand five hundred dollars (\$2,500) for the Tabor City Yam Festival.

H2514 FAIR BLUFF FUNDS

One thousand five hundred dollars (\$1,500) to the Town of Fair Bluff in Columbus County for the Fair Bluff Watermelon Festival.

Two thousand dollars (\$2,000) to the Fair Bluff Community Library Association, Inc., for renovation of the library building.

H2515 TABOR CITY FUNDS

Fifteen thousand dollars (\$15,000) to the Tabor City Committee of 100, Inc., in Columbus County to be allocated by the Committee, in amounts decided on by the Committee, after consultation with the Town of Tabor City, for the following projects:

- (1) Renovation of the Old Tabor School building located on the campus of the Tabor City Primary-High School;
- (2) Renovation of the Tabor City District Courthouse;
- (3) Canal drainage from Elizabeth Street to the Town Sewer Plant, and for tile in the Fourth Street Ditch near the West Elementary School; and
- (4) Planning a Town recreation facility.

H2516 1ST DISTRICT LOCAL FUNDS

Four thousand dollars (\$4,000) to Washington County to construct a 4-H Livestock Show Barn that will be used for exhibitions sponsored by the 4-H Club.

Four thousand dollars (\$4,000) to Tyrrell County to support drug and substance abuse programs sponsored by the North Eastern Association of 4-H Volunteer Leaders.

Five thousand dollars (\$5,000) to Pasquotank County for the Albemarle Food Pantry located in Elizabeth City to help with the costs of providing supplemental meals and food products to those who are in need.

Five thousand dollars (\$5,000) to Tyrrell County to improve and maintain the athletic field which is the site of various community sports and activities.

Four thousand dollars (\$4,000) to Camden County for a daily 4-H Camp which provides an educational and enriching experience for children in the county.

Three thousand five hundred dollars (\$3,500) to Chowan County for the recreation department to use to purchase equipment.

Five thousand dollars (\$5,000) to the Town of Hertford for beautification and revitalization of the Town.

Five thousand dollars (\$5,000) to Perquimans County to remodel the Blanchard Building which is a county facility.

Two thousand five hundred dollars (\$2,500) to Tyrrell County for a 4-H bus for the citizens in Columbia.

Four thousand dollars (\$4,000) to Pasquotank County to provide 4-H camps for handicapped youths.

Five thousand dollars (\$5,000) to The Nature Conservancy of North Carolina, Inc., for the Nags Head Woods Ecological Preserve, for the operating expenses of the preserve and the costs of expanding its programs aimed at protecting Nags Head Woods, a maritime forest characterized by unique biotic associations, and promoting the area's usefulness as a site for scientific, educational, and aesthetic purposes.

Five thousand dollars (\$5,000) to Currituck County to be allocated as follows:

- (1) One thousand dollars (\$1,000) to remodel and renovate the Gibbs Woods Community Building;
- (2) One thousand dollars (\$1,000) to remodel and renovate the Powells Point Community Building;
- (3) One thousand dollars (\$1,000) to remodel and renovate the Coinjock Community Building;
- (4) One thousand dollars (\$1,000) to remodel and renovate the Shawboro Community Building; and
- (5) One thousand dollars (\$1,000) to remodel and renovate the Good Hope Nutrition Site.

Five thousand dollars (\$5,000) to Perquimans County for further restorations and improvements at the Newbold-White House.

Three thousand dollars (\$3,000) to Washington County to print historical records.

H2522 40TH DISTRICT PUBLIC SERVICE FUNDS

Five thousand dollars (\$5,000) to Watauga County for furnishing the Cove Creek Senior Center.

Three thousand dollars (\$3,000) to the Board of Governors of The University of North Carolina for "Appalachian Summer," an arts festival at Appalachian State University.

Three thousand dollars (\$3,000) to the Town of Boone for restoration and furnishing of the Jones House.

Three thousand dollars (\$3,000) to Watauga County for operating expenses of Watauga Hospice.

Two thousand dollars (\$2,000) to the Watauga County Historical Society, a nonprofit corporation, for historical markers.

Two thousand five hundred dollars (\$2,500) to the Rockford Preservation Society, Inc., for preservation projects.

Two thousand dollars (\$2,000) to the Department of Community Colleges for the Surry Community College for information referral for the aging.

Five thousand dollars (\$5,000) to the City of Sparta in Alleghany County for landscaping of Crouse Park.

Five thousand dollars (\$5,000) to the Town of Danbury in Stokes County for furnishing of the Danbury Library.

H2523 24TH DISTRICT PUBLIC SERVICE FUNDS

Five thousand dollars (\$5,000) to Chatham County, for renovations of the Chatham County Courthouse.

Five thousand dollars (\$5,000) to Day Care Services Association, Inc., of Orange County, for day care scholarships for children of low income families.

Two thousand five hundred dollars (\$2,500) to the Historic Hillsborough Commission of Orange County, for improvements for the program and for upkeep of the historic Burwell School building in Hillsborough.

Two thousand five hundred dollars (\$2,500) to Family Violence and Rape Crisis Volunteers in Chatham County, Inc., for operating expenses in running its programs to meet the needs of victims of domestic violence and sexual assault.

Five thousand dollars (\$5,000) to the Inter-Church Council for Social Service, Inc., (the Inter-Faith Council), of Orange County, for operating expenses and capital improvements for the Council's Community Shelter Project.

Two thousand five hundred dollars (\$2,500) to the Joint Orange-Chatham Community Action, Inc., for its programs that meet the need of low income citizens of Orange and Chatham Counties.

Five thousand dollars (\$5,000) to the Orange Congregations in Mission, Inc., of Orange County, for funds to initiate a child care program for adolescent parents.

Two thousand five hundred dollars (\$2,500) to the Orange County Women's Center, Inc., for operating expenses in running programs of counseling and other public service programs.

H2526 16TH HOUSE DISTRICT SPECIAL FUNDS

Five thousand dollars (\$5,000) to the Town of Maxton for

downtown development.

Three thousand dollars (\$3,000) to the Flora MacDonald Highland Games, Ltd., for operational funds.

Three thousand dollars (\$3,000) to the Town of Fairmont for a tourist welcome center and museum.

Three thousand dollars (\$3,000) to the Robeson County Recreation and Park Commission for the Marietta Community Center.

Three thousand dollars (\$3,000) to the Hoke County Reading-Literacy Council, Inc., for a tutorial program.

Five thousand dollars (\$5,000) to the Flora MacDonald Educational Foundation, Inc., for restoration and repairs for the historic Flora MacDonald College in Red Springs.

Five thousand dollars (\$5,000) to the Indian Museum of the Carolinas, Inc., for educational, cultural, and historical opportunities.

Three thousand dollars (\$3,000) to the Town of Wagram for downtown development.

H2527 HIGH POINT TASC PROGRAM FUNDS

Five thousand dollars (\$5,000) to the High Point Drug Action Council, Inc., for the expansion of the Treatment Alternatives to Street Crime (TASC) program in the City of High Point, which provides high quality services to persons who are chemically dependent.

H2531 CHARLOTTE CITY BALLET COMPANY FUNDS

Five thousand dollars (\$5,000) to the Charlotte City Ballet Company, of Mecklenburg County, for operating expenses in running the Company, which provides entertainment and professional exposure to the dance arts to the citizens of Charlotte and Mecklenburg County.

H2532 CHILD CARE RESOURCES, INC. FUNDS

Five thousand dollars (\$5,000) to Child Care Resources, Inc., of Mecklenburg County, for temporary child care for the children of homeless parents while the parents are attending employment interviews.

H2534 JOHNSTON AND FRANKLIN FUNDS

Five thousand dollars (\$5,000) to the Johnston Central High School Alumni Association, Incorporated, to support the public service programs of the association.

Five thousand dollars (\$5,000) to the Johnston County Society for the Prevention of Cruelty to Animals to support its programs.

Five thousand dollars (\$5,000) to Franklin County to improve upon and expand the Franklin County Sheriff Department's Drug

Enforcement Program.

Five thousand dollars (\$5,000) to the Franklin County Library for their branch library expansion program.

H2535 ALZHEIMER'S DISEASE FUNDS

Five thousand dollars (\$5,000) to Alzheimer's Disease and Related Disorders Association - Greater Charlotte Area Chapter, Inc., for the Alzheimer's Disease North Carolina Southern Piedmont Chapter for the costs of operating and expanding special services for Alzheimer's Disease patients in the 13-county Metrolina area.

H2540 14TH HOUSE DISTRICT SPECIAL FUNDS

Two thousand dollars (\$2,000) to the Castle Hayne Volunteer Fire Department, Inc., for equipment.

Two thousand dollars (\$2,000) to the Wrightsboro Volunteer Fire Department, Inc., for equipment.

Three thousand five hundred dollars (\$3,500) to the Pender County Board of County Commissioners for the Pender Watch & Conservancy for water quality research.

Two thousand dollars (\$2,000) to the Brunswick County Literacy Council, Inc., to combat illiteracy.

Two thousand dollars (\$2,000) to the City of Southport for capital improvements to the Southport Community Buildings.

Three thousand dollars (\$3,000) to the Board of Governors of The University of North Carolina for the Agricultural Extension Service at North Carolina State University for the capital project in Brunswick County.

One thousand dollars (\$1,000) to the Town of Holden Beach for promotion of the Holden Beach Festival by the Sea.

Three thousand dollars (\$3,000) to the Hope Harbor Home, Inc., for capital improvements, to enable the home to continue serving battered women and children.

Two thousand dollars (\$2,000) to The North Carolina Fourth of July Festival for promotion of the festival.

Two thousand dollars (\$2,000) to the South Brunswick Islands Chamber of Commerce for promotion of the N.C. Oyster Festival.

One thousand dollars (\$1,000) to the Greater Topsail Area Chamber of Commerce, Inc., for promotion of the Topsail Island Spring Fest.

One thousand dollars (\$1,000) to the Long Bay Artificial Reef Association, Inc., for an artificial reef.

Three thousand five hundred dollars (\$3,500) to Brunswick County to be allocated as follows:

- (1) Five hundred dollars (\$500.00) for the United Farm

Organization;

- (2) One thousand dollars (\$1,000) for the Cedar Grove Chapter of the N.A.A.C.P. for the Martin Luther King, Jr., Act-So Program; and
- (3) Two thousand dollars (\$2,000) for the Rape Sexual Abuse Victims Service-13th Judicial District for continuing rape crisis services.

Two thousand dollars (\$2,000) to the Brunswick County Library for the Leland Friends of the Library for capital improvements.

H2541 SWORD OF PEACE FUNDS

Two thousand five hundred dollars (\$2,500) to the Snow Camp Historical Drama Society, Inc., for operating expenses for the outdoor drama, "Sword of Peace," in Alamance County.

H2542 NEW BEGINNINGS CENTER FUNDS

Five thousand dollars (\$5,000) to the New Beginnings Center, Inc., in Alamance County for operation of its drug rehabilitation program.

H2543 ALAMANCE HEADSTART FUNDS

Five thousand dollars (\$5,000) to the First Baptist Church Headstart Program, of Alamance County for renovation of classrooms for the Headstart Program.

H2544 ROCKINGHAM MEALS ON WHEELS FUNDS

Ten thousand dollars (\$10,000) to the Rockingham County Council on Aging, Inc., for operating expenses of the Meals on Wheels program, which provides hot meals for home-bound elderly citizens.

H2545 ALAMANCE HOMELESS SHELTER FUNDS

Seven thousand five hundred dollars (\$7,500) to the Allied Churches of Alamance County, Inc., for its homeless shelter construction program.

H2547 6TH DISTRICT PROJECTS FUNDS

One thousand five hundred dollars (\$1,500) to the Town of Everetts to renovate the town hall.

Two thousand five hundred dollars (\$2,500) to the Town of Bethel to be allocated as follows:

- (1) One thousand dollars (\$1,000) for operating expenses and to purchase equipment for its municipal fire department; and
- (2) One thousand five hundred dollars (\$1,500) for its library for operating expenses and to purchase books.

Three thousand dollars (\$3,000) to The Gallery Theatre, Inc., for

renovations to the historic building and to continue the community theater productions.

Three thousand five hundred dollars (\$3,500) to the Martin Community Players, Inc., for operating expenses and production costs of its community theater presentations.

Two thousand five hundred dollars (\$2,500) to Martin County Community Action, Inc., for materials and equipment needed to continue the Headstart Program.

H2548 CHOANOKE AREA DEV. FUNDS

Seven thousand dollars (\$7,000) to the Choanoke Area Development Association of North Carolina, Inc., to enhance day care and recreational programs in the Choanoke area which includes Bertie, Halifax, Hertford, and Northampton Counties.

H2550 ALZHEIMER'S FUNDS-SOUTHERN PIEDMONT

Five thousand dollars (\$5,000) to the Alzheimer's Disease and Related Disorders Association-Greater Charlotte Area Chapter, Inc., (Southern Piedmont Chapter) to provide support services for families of the victims of Alzheimer's Disease.

H2551 MATTHEWS COMMUNITY FUNDS

Five thousand dollars (\$5,000) to the Matthews Community HELP Center, a nonprofit corporation, for its operating budget to assist it in serving the poor and needy of Mecklenburg and Union Counties.

Two thousand five hundred dollars (\$2,500) to the Matthews Community Club, Inc., for the continued renovation and/or operation of the Matthews Community Center.

Two thousand five hundred dollars (\$2,500) to the Matthews Historical Foundation, Inc., for the renovation and/or restoration of buildings of historic character in the Town of Matthews.

H2552 SCOTLAND/HOKE PROJECTS FUNDS

One thousand dollars (\$1,000) to Hospice of Hoke County to help support its programs for the terminally ill and their families.

Ten thousand dollars (\$10,000) to Red Springs Chamber of Commerce, Inc., to replace the floor in the dining hall of Flora MacDonald College, which is an historic structure and is on the National Register.

Five thousand dollars (\$5,000) to the Town of Rowland to assist with the cost of its centennial celebration.

Two thousand dollars (\$2,000) to the Town of Raynham to renovate its town hall.

Two thousand dollars (\$2,000) to the Town of Fairmont to renovate

the depot which is a town landmark.

Three thousand dollars (\$3,000) to the Town of Gibson for downtown revitalization.

Three thousand dollars (\$3,000) to Scotland County Literacy Council, Inc., to help support its programs to eliminate illiteracy.

Four thousand dollars (\$4,000) to Hoke County to upgrade communications equipment for the sheriff's departments in Hoke and Scotland Counties.

H2557 17TH HOUSE DISTRICT SPECIAL FUNDS

Two thousand five hundred dollars (\$2,500) to the Cumberland Community Foundation, Inc., in Cumberland County for mini-grants for teacher staff development.

Five thousand dollars (\$5,000) to the City of Fayetteville to provide transportation for Senior Citizens.

Five thousand dollars (\$5,000) to the Spring Lake Community Center Foundation, Inc., of Cumberland County for operating expenses.

Two thousand five hundred dollars (\$2,500) to the Southeastern Cumberland County Rural Community Association, Inc., for educational programs and playground equipment and repairs.

Two thousand five hundred dollars (\$2,500) to the Board of Governors of The University of North Carolina to provide funds for the Continuing Education Center at Fayetteville State University.

Two thousand five hundred dollars (\$2,500) to the Town of Spring Lake to be used for transportation and out-reach programs at the Spring Lake Senior Citizens Center.

Two thousand five hundred dollars (\$2,500) to the Cumberland Sheltered Workshop, Inc., for operating expenses.

Five thousand dollars (\$5,000) to the Howard Improvement Association, Inc., for improvements to the historic Howard Trust property in Cumberland County, which has been used for cultural, educational, and literary purposes since 1867.

Two thousand five hundred dollars (\$2,500) to the Arts Council of Fayetteville/Cumberland County, Inc., for special projects.

H2561 RANDOLPH 4-H FUNDS

Seventeen thousand five hundred dollars (\$17,500) to Randolph County for the Randolph County 4-H Program of the Randolph County Agricultural Extension Service to purchase a van to transport children participating in the 4-H Program.

H2562 N.C. TRADITIONAL POTTERY MUSEUM FUNDS

One thousand five hundred dollars (\$1,500) to the Department of

Cultural Resources, Division of Archives and History, for planning for a Museum of North Carolina Traditional Pottery, which will benefit not only the citizens of Randolph, Moore, and Montgomery Counties, but all the citizens of the State by displaying its historic and modern pottery and related crafts and by promoting a continued development of fine pottery making.

H2565 12TH DISTRICT LOCAL PROJECTS FUNDS

Ten thousand five hundred dollars (\$10,500) to Bladen County to be allocated as follows:

- (1) Five hundred dollars (\$500.00) to each of the 13 fire departments in Bladen County listed below, for equipment and operating expenses:
 - a. The Ammon Volunteer Fire Department, Inc.,
 - b. Bladenboro Fire Department,
 - c. Carver's Creek Volunteer Fire Department,
 - d. Clarkton Fire Department,
 - e. Dublin Rural Fire Department,
 - f. The East Arcadia Volunteer Fire Department, Inc.,
 - g. Elizabethtown Fire Department,
 - h. Hickory Grove Volunteer Fire Department, Inc., of Bladen County,
 - i. Kelly Volunteer Fire Department, Inc.,
 - j. The Lisbon Volunteer Fire Department, Inc.,
 - k. Tar Heel Fire Department,
 - l. White Lake Fire Department,
 - m. White Oak Volunteer Fire Department, Inc;
- (2) Five hundred dollars (\$500.00) to the Bladen County Improvement Association, Inc., for senior citizen housing;
- (3) Five hundred dollars (\$500.00) for the renovation of the East Arcadia Cultural Center in the Town of East Arcadia;
- (4) Five hundred dollars (\$500.00) to the Town of Bladenboro to assist with the operating expenses of the Bladenboro Community building, which is available as a meeting place to the members of that community;
- (5) Five hundred dollars (\$500.00) for restoration of the Bladen Springs Community Building which is used as a community meeting place;
- (6) Five hundred dollars (\$500.00) to the Town of Dublin to assist with the operating expenses of the Dublin Community building, which is available to the members of that community as a public meeting place;
- (7) Five hundred dollars (\$500.00) for renovations and repairs to the Willing Workers Community Building, which is used by

members of that community for various community functions;

- (8) Five hundred dollars (\$500.00) for the maintenance of the Clarkton Dixie Youth Athletic Field, which is used for public recreational purposes; and
- (9) Five hundred dollars (\$500.00) to the Town of Clarkton, Clarkton Historical Society for its preservation projects.

Seven thousand five hundred dollars (\$7,500) to Pender County to be allocated as follows:

- (1) Five hundred dollars (\$500.00) to each of the following fire departments for equipment and operating expenses: Burgaw Fire Department, Atkinson Fire Department, Shiloh-Columbia Volunteer Fire Department, Inc., Long Creek Fire Department, Rocky Point Fire Department, Maple Hill Volunteer Fire Department, Inc., and Penderlea Fire Department;
- (2) Five hundred dollars (\$500.00) for repairs and renovations to the Horse Branch Community building, which is available as a meeting place for community members;
- (3) Five hundred dollars (\$500.00) for operating expenses of the Maple Hill Community Center, Inc., which is available for various community functions;
- (4) Five hundred dollars (\$500.00) for renovations and repairs to the Canetuck Community Building;
- (5) Five hundred dollars (\$500.00) for operating expenses of the Long Creek Recreation Center, which is available to community members for many functions;
- (6) Five hundred dollars (\$500.00) to the Town of Burgaw for fire department expenses;
- (7) Five hundred dollars (\$500.00) to establish the Atkinson Library satellite, which will be a branch of the Pender County Library;
- (8) Five hundred dollars (\$500.00) for operating expenses of the St. Helena Community Building, which is available as a community gathering place; and
- (9) Five hundred dollars (\$500.00) for repairs and operating expenses of the Willarlea Community Building.

Twelve thousand dollars (\$12,000) to Sampson County to be allocated as follows:

- (1) Five hundred dollars (\$500.00) to each of the 16 fire departments in Sampson County listed below for equipment and operating expenses:
 - a. Autryville Area Fire Department, Inc.,
 - b. Clement Volunteer Fire Department, Inc.,
 - c. Clinton Fire Department.

- d. Garland Fire Department,
 - e. Halls Fire Department, Inc.,
 - f. Herring Volunteer Fire Department, Inc.,
 - g. Newton Grove Fire Department, Inc.,
 - h. Piney Grove Volunteer Fire Department, Inc., of Sampson County,
 - i. Plain View Volunteer Fire Department, Inc.,
 - j. Roseboro Area Fire Department, Inc.,
 - k. Salemburg Volunteer Fire Dept., Inc.,
 - l. Spivey's Corner Volunteer Fire Department, Inc.,
 - m. Turkey Volunteer Fire Department, Inc.,
 - n. Vann Crossroads Fire Department, Inc.,
 - o. Harrells Volunteer Fire Department, Inc., and
 - p. Ivanhoe Fire Department which is a satellite of Harrells Fire Department, Inc.;
- (2) Five hundred dollars (\$500.00) to Roseboro Public Library to assist with operating costs and the purchase of books;
 - (3) Five hundred dollars (\$500.00) to the Town of Salemburg for the Salemburg Beautification Project;
 - (4) Five hundred dollars (\$500.00) to Sampson County Adult Day Care to help with the operating expenses of the community services that it offers;
 - (5) Five hundred dollars (\$500.00) to the Sampson High School Alumni Association for scholarships and other community projects sponsored by the Association;
 - (6) Five hundred dollars (\$500.00) to the Town of Autryville for improvements to the Autryville Outdoor Theater and for operating expenses of community theater projects and productions sponsored by the Theater;
 - (7) Five hundred dollars (\$500.00) to the Sampson County Board of Education for the arts enrichment programs in the schools;
 - (8) Five hundred dollars (\$500.00) to the Sampson Community Theatre, Inc., which serves as a cultural and social center for the people of Sampson County, for the support of its program and services; and
 - (9) Five hundred dollars (\$500.00) for the Salemburg Community Center for repairs and renovations.

H2566 ALAMANCE MEALS ON WHEELS FUNDS

Seven thousand five hundred dollars (\$7,500) to the Alamance County Council on Elderly Services and Support, Inc., to help meet ongoing meals on wheels services to provide hot and frozen meals to the home bound elderly in Alamance County.

H2567 ALZHEIMER'S AND MEMORY IMPAIRED FUNDS

Five thousand dollars (\$5,000) to the Friendship Center of Alamance, Inc., for expansion of the day care and respite services for persons suffering from Alzheimer's and other memory impairing diseases.

H2568 ALAMANCE FRIENDS OF YOUTH FUNDS

Two thousand five hundred dollars (\$2,500) to Alamance County for operating support for Alamance County restitution programs for juvenile, undisciplined, and delinquent children.

H2569 EDEN PRESERVATION SOCIETY FUNDS

Five thousand dollars (\$5,000) to The Eden Preservation Society, Inc., for restoration of the oldest house still standing in Eden, which was an office used by Governor John Motley Morehead and was given to the Society by the Morehead Mills.

H2570 MADISON COLORED/CHARLES DREW FUNDS

Ten thousand dollars (\$10,000) to the Madison Colored and Charles Drew Alumni Association, Inc., to preserve the Old Madison Colored School Property and to renovate it into a community center for use by all citizens in the surrounding areas.

H2571 CUMBERLAND ARTS COUNCIL FUNDS

Three thousand dollars (\$3,000) to The Arts Council of Fayetteville/Cumberland County, Inc., for the purchase of equipment.

H2572 CUMBERLAND SHELTERED WORKSHOP, INC., FUNDS

Twelve thousand dollars (\$12,000) to the Cumberland Sheltered Workshop, Inc., which serves adults who are physically and emotionally handicapped, for paving and for expansion of the building.

H2573 EASTOVER COMMUNITY PARK FUNDS

Ten thousand dollars (\$10,000) to Eastover Community Park Association, Inc., which offers recreation programs to children and adults in a rural community in Cumberland County to purchase land for expansion.

H2574 CUMBERLAND FIRE DEPT. FUNDS

One thousand dollars (\$1,000) to the Volunteer Fire Department of Bethany, Inc., for the purchase of equipment.

One thousand dollars (\$1,000) to the Stedman Volunteer Fire Department, Inc., for the purchase of equipment.

One thousand dollars (\$1,000) to the Godwin-Falcon Fire Department, Inc., for the purchase of equipment.

One thousand dollars (\$1,000) to the Wade Community Fire Department, Inc., for the purchase of equipment.

H2575 STEDMAN TOWN FUNDS

One thousand dollars (\$1,000) to the Town of Stedman in Cumberland County for equipment or facilities, or both.

H2576 CRAVEN-LENOIR-PAMILCO FUNDS

Ten thousand five hundred dollars (\$10,500) to Craven County to be allocated as follows:

(1) Three thousand dollars (\$3,000) to the Craven County Board of Education for the New Bern-Craven County Educational Foundation for scholarships or enrichment programs.

(2) Three thousand dollars (\$3,000) for the "2001--Strategic Planning Project", a venture to develop a strategic plan for county economic, educational, and cultural development.

(3) One thousand dollars (\$1,000) to Vanceboro Community Organization, Inc., for a senior center.

(4) One thousand dollars (\$1,000) to the Pembroke Community Organization, Inc., to landscape the community center.

(5) One thousand dollars (\$1,000) for the Twin Rivers Y.M.C.A. for its public service programs.

(6) One thousand five hundred dollars (\$1,500) to the Craven-Pamlico Chapter of the American Red Cross for the Crosswheels Transportation System to transport the frail elderly.

Seven thousand five hundred (\$7,500) to Lenoir County to be allocated as follows:

(1) One thousand dollars (\$1,000) to the Lenoir County Historical Association, Inc., for historic renovation and research.

(2) One thousand dollars (\$1,000) to S.A.F.E. in Lenoir County, Inc., for domestic violence programs.

(3) Two thousand dollars (\$2,000) to Adkin High School Alumni and Friends, Inc., to renovate the abandoned Adkin High School Building to be used as a community center in Kinston.

(4) One thousand dollars (\$1,000) to the Pink Hill Fire Department for operating expenses, equipment, and capital needs.

(5) One thousand dollars (\$1,000) to Harvey Gardens of Kinston, Inc., for paving, capital costs, and equipment.

(6) One thousand dollars (\$1,000) to the Hugo Volunteer Fire Department, Inc., for operating expenses, equipment, and capital needs.

(7) Five hundred dollars (\$500.00) to the Lenoir County Fair

Association, Inc., to pay for the new livestock building at the publicly-owned fairgrounds.

Twelve thousand dollars (\$12,000) to Pamlico County to be allocated as follows:

(1) One thousand dollars (\$1,000) to Pamlico Education Foundation for educational projects.

(2) Seven thousand five hundred dollars (\$7,500) to the Pamlico County Board of Education for the Pamlico Hurricane Boosters Club for renovation and construction of athletic fields and facilities at Pamlico County High School.

(3) One thousand dollars (\$1,000) to Hospice of Pamlico County, Inc., for facility and training costs to help provide care for the terminally ill and their families.

(4) Five hundred dollars (\$500.00) to Pamlico County Parks and Recreation Department for the Pamlico Recreation Area Park in Bayboro.

(5) One thousand dollars (\$1,000) to The Pelican Players for operating expenses for their public service programs.

(6) One thousand dollars (\$1,000) to the Triangle Volunteer Fire Department, Inc., of Pamlico County for operating expenses, equipment, and capital needs.

H2577 PENDER PUBLIC SERVICES FUNDS

One thousand dollars (\$1,000) to the Burgaw Fire Department in Pender County for equipment.

Two thousand dollars (\$2,000) to Pender County for the Long Creek Recreation Center, for operating expenses in providing public recreation for the Long Creek Community.

Two thousand dollars (\$2,000) to Pender County for the Pender County Museum, for operating expenses in providing cultural and historic services to the citizens of Pender County.

One thousand dollars (\$1,000) to Pender County for the St. Helena Community Building, for operating expenses in maintaining community service programs.

H2578 SAMPSON PUBLIC SERVICE FUNDS

Two thousand dollars (\$2,000) to Sampson County for operating expenses of the Clement Civic Center, which serves as a cultural and community center for the community.

One thousand dollars (\$1,000) to the Town of Garland for capital improvements, for repair to the Garland Senior Center, which houses programs and activities for the senior citizens of Garland and the surrounding area.

Two thousand dollars (\$2,000) to the Town of Roseboro, for the

Roseboro Library Fund to enable the Town of Roseboro to provide a library for an expanding reading public.

One thousand dollars (\$1,000) to the Town of Salemburg for the Salemburg Town Beautification Program for operating expenses.

Two thousand dollars (\$2,000) to Sampson County for the Sampson County Adult Day Care Program for operating expenses.

Two thousand dollars (\$2,000) to Sampson County for the Sampson County Alumni Association for operating expenses in providing educational outreach services.

Two thousand dollars (\$2,000) to the Sampson Community Theatre, Inc., for operating expenses in providing community theater for the people of Sampson County.

Two thousand dollars (\$2,000) to Sampson County for the Union Booster Club for its program that sponsors tourism and business incentives to benefit the economy of Sampson County.

One thousand dollars (\$1,000) to the Town of Turkey for the Town's Beautification Program.

H2582 FAYETTEVILLE AREA FUNDS

Two thousand five hundred dollars (\$2,500) to the Cumberland Community Foundation, Inc., in Cumberland County for mini-grants for teacher staff development.

Five thousand dollars (\$5,000) to the City of Fayetteville to provide transportation for senior citizens.

Five thousand dollars (\$5,000) to the Spring Lake Community Center Foundation, Inc., of Cumberland County for operating expenses.

One thousand five hundred dollars (\$1,500) to the Southeastern Cumberland County Rural Community Association, Inc., for educational programs, playground equipment, and repairs.

Two thousand five hundred dollars (\$2,500) to the Board of Governors of The University of North Carolina to provide funds for the Continuing Education Center at Fayetteville State University.

Two thousand five hundred dollars (\$2,500) to Spring Lake Lifeline Center, Inc., of Cumberland County for operating expenses.

Two thousand five hundred dollars (\$2,500) to the Cumberland Sheltered Workshop, Inc., for operating expenses.

Five thousand dollars (\$5,000) to the Howard Improvement Association, Inc., of Cumberland County for capital improvements.

Two thousand five hundred dollars (\$2,500) to the Arts Council of Fayetteville/Cumberland County, Inc., to be used for special projects.

One thousand dollars (\$1,000) to the Sugar & Spice Day/Night Care for the Elderly in Cumberland County for development expenses.

H2584 CUMBERLAND OMNIBUS FUNDS

Two thousand dollars (\$2,000) to the Town of Spring Lake for expenses of the Spring Lake Senior Citizens Center.

Two thousand dollars (\$2,000) to the City of Fayetteville for expenses of the Fayetteville-Cumberland County Senior Citizens Center.

Two thousand dollars (\$2,000) to Hope Mills Senior Citizens, Inc., for operating expenses.

Two thousand dollars (\$2,000) to the Cumberland County Association for Indian People, a nonprofit corporation, for operating expenses.

Two thousand dollars (\$2,000) to Myrover-Reese Fellowship Home, Inc., for community programs.

Two thousand dollars (\$2,000) to the Southeastern Cumberland County Rural Community Association, Inc., for education and outreach programs.

One thousand five hundred dollars (\$1,500) to the Cumberland County Public Library to purchase video equipment.

One thousand five hundred dollars (\$1,500) to Cape Fear Teen Center, a nonprofit corporation, to establish a teen center.

Two thousand dollars (\$2,000) to the Town of Stedman for a town hall.

Two thousand five hundred dollars (\$2,500) to the Arts Council of Fayetteville/Cumberland County, Inc., for equipment and community programs.

Two thousand dollars (\$2,000) to Cumberland County for assistance to Cumberland County volunteer fire departments. These funds will be distributed by the Cumberland County Fire Marshall to those Cumberland County volunteer fire departments the Fire Marshall considers most in need of assistance and in the amounts the Fire Marshall considers most appropriate.

Two thousand dollars (\$2,000) to the Town of Spring Lake for law enforcement equipment.

H2585 JOHNSTON PROJECTS FUNDS

Five thousand dollars (\$5,000) to the Johnston Central High School Alumni Association, Incorporated, in Johnston County to help support its renovation project of the old Johnston Central High School.

Five thousand dollars (\$5,000) to the Johnston County Council on Aging, Inc., to support its renovation project.

H2586 ROCKY MOUNT-NASH AREA FUNDS

Five thousand dollars (\$5,000) to the Rocky Mount Public Library Association, Inc., for the Thomas Hackney Braswell Memorial

Library in Nash County to microfilm the back issues of the local Rocky Mount newspaper, The Evening Telegram.

Five thousand dollars (\$5,000) to My Sister's House, Inc., for a house where women who have been victims of domestic violence may seek temporary safety with their children.

Five thousand dollars (\$5,000) to the Community Recreation of Spring Hope, Inc., for additions and improvements to the Little League field in Spring Hope.

Five thousand dollars (\$5,000) to Opportunities Industrialization Center, Incorporated, for the continuation and expansion of on-going job training programs for persons who are unemployed or underemployed.

Five thousand dollars (\$5,000) to the Christian Fellowship Home of Nash-Edgecombe Counties, Incorporated, for repairs and improvements to half-way houses for recovering alcoholics.

Two thousand five hundred dollars (\$2,500) to the Town of Nashville for renovations to and construction of an addition to the Harold D. Cooley Library in Nash County.

Two thousand five hundred dollars (\$2,500) to The Young Women's Christian Association of Rocky Mount, North Carolina, to construct a new Y.W.C.A. building which will be used to house public service programs that are available to the community.

H2587 WAKE HUMAN SERVICES FUNDS

Two thousand dollars (\$2,000) to the Shelley School Development Center, of Wake County, for operating expenses in serving children from age 18 months to eight years of age who are moderately to severely mentally retarded.

One thousand five hundred dollars (\$1,500) to the Women's Center of Raleigh, of Wake County, for operating expenses for counseling and career guidance services.

One thousand five hundred dollars (\$1,500) to the Family Violence Prevention Center, Inc., of Wake County, for operating expenses in providing services that focus on preventing domestic violence.

One thousand five hundred dollars (\$1,500) to Shepherd's Table Soup Kitchen, Inc., in Wake County, for operating expenses and to renovate the kitchen facilities to enable the Soup Kitchen to continue to provide meals for the homeless and those needing aid.

H2588 WAKE ARTS FUNDS

Five thousand dollars (\$5,000) to the Capital Area Arts Foundation, Inc., in Wake County, for operating expenses in providing the arts and the opportunities to participate in artistic endeavors to Wake County.

One thousand five hundred dollars (\$1,500) to the Friends of the Page-Walker Hotel, Inc., for restoration and renovation of the historic Page-Walker Hotel.

H2589 RALEIGH HOUSING OPTIONS FUNDS

Four thousand dollars (\$4,000) to the City of Raleigh for a task force to explore and examine the options for using unused housing space for elderly persons of moderate income. The task force shall recommend to the City whether after completion of its study, a pilot housing project should be established.

H2590 RADIO READING SERVICE FUNDS

Three thousand dollars (\$3,000) to Radio Reading Services, Inc., for operating expenses in providing reading services to the visually handicapped and print impaired.

H2594 CRAVEN-LENOIR-PAMLICO FUNDS

Three thousand dollars (\$3,000) to Craven County for the "2001--Strategic Planning Project", a venture to develop a strategic plan for county economic, educational, and cultural development.

Two thousand five hundred dollars (\$2,500) to S.A.F.E. in Lenoir County, Inc., for domestic violence programs.

Two thousand five hundred dollars (\$2,500) to the Kinston City Board of Education for instruments and equipment for the Kinston High School Band.

Five thousand dollars (\$5,000) to the Pamlico County Board of Education for the Pamlico Hurricane Boosters Club for renovation and construction of athletic fields and facilities at Pamlico County High School.

One thousand dollars (\$1,000) to Vanceboro Community Organization, Inc., for capital costs for a community building.

Two thousand dollars (\$2,000) to the Eastern Minority Economic Development Corporation for operating expenses incurred in addressing the problems of unemployment, and of the low-level of local ownership of property and businesses among poor and working class communities.

Two thousand dollars (\$2,000) to Harvey Gardens of Kinston, Inc., for paving, capital costs, and equipment.

One thousand five hundred dollars (\$1,500) to The Pelican Players of Oriental, a nonprofit community theater group, for operating expenses and building renovations.

Two thousand dollars (\$2,000) to the Lenoir County Fair Association, Inc., to pay for the new livestock building at the publicly-owned fairgrounds.

One thousand five hundred dollars (\$1,500) to the Lenoir County Historical Association, Inc., for historical restoration projects

Two thousand dollars (\$2,000) to the YMCA Development Fund for new construction.

H2595 9TH HOUSE DISTRICT SPECIAL FUNDS

One thousand five hundred dollars (\$1,500) to the Town of Ayden to be allocated as follows:

- (1) One thousand dollars (\$1,000) for the Little League Expansion Project of the Recreation Department
- (2) Five hundred dollars (\$500.00) for the Ayden Town Library.

One thousand five hundred dollars (\$1,500) to the Town of Farmville to be allocated as follows:

- (1) Five hundred dollars (\$500.00) for books and repairs at the Library
- (2) Five hundred dollars (\$500.00) for equipment for the Recreation Department
- (3) Five hundred dollars (\$500.00) for the Senior Citizens Program.

Five hundred dollars (\$500.00) to The Farmville Community Arts Council, Inc., for promotion of its arts and cultural services programs.

Five hundred dollars (\$500.00) to the Farmville Child-Developmental Center, Inc., for operational funds.

Five hundred dollars (\$500.00) to the City of Greenville for books and supplies for the Sheppard Memorial Library.

Five hundred dollars (\$500.00) to United Cerebral Palsy of North Carolina, Inc., for the United Cerebral Palsy Greenville Developmental Center for the purchase of equipment and supplies.

One thousand five hundred dollars (\$1,500) to the Town of Grifton to be allocated as follows:

- (1) Seven hundred fifty dollars (\$750.00) for Depot and Town improvements
- (2) Seven hundred fifty dollars (\$750.00) for the Senior Citizens Center.

One thousand dollars (\$1,000) to the Town of Winterville to be allocated as follows:

- (1) Five hundred dollars (\$500.00) for the community center
- (2) Five hundred dollars (\$500.00) for the Recreation Department.

Five hundred dollars (\$500.00) to the Winterville Historical and Arts Society for program support.

Two thousand dollars (\$2,000) to the Board of Governors of The

University of North Carolina for East Carolina University to be allocated as follows:

- (1) Five hundred dollars (\$500.00) for the N. River Adventures in Health Center for health education
- (2) Five hundred dollars (\$500.00) for Remedial Education Activity Program for the purchase of supplies
- (3) Five hundred dollars (\$500.00) for the School of Medicine Rainbow Services Program in Pediatrics for a summer camp for children with cancer
- (4) Five hundred dollars (\$500.00) for the School of Medicine Creative Living Center for Senior Day Care.

Five hundred dollars (\$500.00) to the Pitt-Greenville Arts Council for equipment and supplies.

Five hundred dollars (\$500.00) to the Boys Club of Pitt County, Inc., for operational funds.

Seven hundred fifty dollars (\$750.00) to the Pitt County Family Violence Program for operational funds.

Two thousand dollars (\$2,000) to the Pitt County Fire Marshall's Office for the Fire and Rescue Squads in Pitt County to be distributed on the recommendation of the Fire Marshall.

Seven hundred fifty dollars (\$750.00) to Pitt County Senior Citizens for the Senior Citizens Center.

One thousand dollars (\$1,000) to the Pitt County Historical Society, Inc., for surveys.

One thousand dollars (\$1,000) to Pitt County for the Pitt County Mental Health Center for the purchase of equipment and supplies for its Pitt County Child Development Center.

Five hundred dollars (\$500.00) to Children's Services of Eastern Carolina, Inc., for the Ronald McDonald House.

Five hundred dollars (\$500.00) to the Pitt County Home Nursing Care Foundation for Pitt County Hospice for operating expenses.

Five hundred dollars (\$500.00) to the Real Crisis Intervention, Inc., for operational funds and telephone expenses.

Five hundred dollars (\$500.00) to the Village of Simpson for civic improvements.

Five hundred dollars (\$500.00) to Pitt County for the Wellcome Middle School Library.

One thousand dollars (\$1,000) to the Board of Governors of The University of North Carolina for East Carolina University for the Summer Creative Program for Mentally Handicapped Children.

Five hundred dollars (\$500.00) to the Greenville Area Preservation Association for the costs of publishing an architectural inventory and other operating expenses.

One thousand dollars (\$1,000) to the Town of Grimesland for the

G.R. Whitfield School for the completion of the athletic field.

Six thousand dollars (\$6,000) to Greene County to be allocated as follows:

- (1) One thousand dollars (\$1,000) for the Recreation Department for equipment;
- (2) Three thousand dollars (\$3,000) for the fire and rescue squads of Greene County for equipment, to be distributed on the recommendation of the County Fire Marshall;
- (3) One thousand dollars (\$1,000) for band and athletic equipment for the Greene County Public Schools, to be distributed on the recommendation of the County Superintendent of Schools;
- (4) Five hundred dollars (\$500.00) for transportation services for the handicapped; and
- (5) Five hundred dollars (\$500.00) for the Public Library operations.

Five hundred dollars (\$500.00) to Greene County for the Greene County Association for Retarded Citizens for operational funds.

Five hundred dollars (\$500.00) to the Greene County Arts Council, Incorporated, Program for operational funds.

One thousand five hundred dollars (\$1,500) to the Greene County Council on Aging for the Senior Citizens Center.

H2596 40TH HOUSE DISTRICT SPECIAL FUNDS

Two thousand dollars (\$2,000) to the Town of Pilot Mountain for researching, writing, and publishing the centennial history of the Town of Pilot Mountain.

Five thousand dollars (\$5,000) to the town of Pilot Mountain for studying and implementing at least one drop-off center in Pilot Mountain for citizens to voluntarily drop off recyclables.

Eleven thousand eight hundred dollars (\$11,800) to Surry County for studying and implementing at least two drop-off centers in the county for citizens to voluntarily drop off recyclables. Up to four thousand dollars (\$4,000) of these funds may be used to purchase a pick-up truck to be used at the drop-off centers and otherwise to transport litter.

Three thousand two hundred dollars (\$3,200) to the Friends of the Ashe County Public Library for the purchase of materials for the Adult Literacy League.

Two thousand five hundred dollars (\$2,500) to the Northern Hospital District of Surry County to conduct a feasibility study for establishing a "sick child day care center."

Two thousand five hundred dollars (\$2,500) to the Walnut Cove Public Library to purchase equipment for the library.

Three thousand dollars (\$3,000) to the city of Mount Airy for the Main Street Project.

H2599 26TH DISTRICT FUNDS

Five thousand dollars (\$5,000) to the Young Men's Christian Association of Greensboro in Guilford County to help support its tutorial programs at the Hayes Taylor YMCA to enrich the entire community.

Five thousand dollars (\$5,000) to the Gate City Junior Tennis Academy in Guilford County to provide recreational opportunities for disadvantaged youth in the county.

One thousand dollars (\$1,000) to the North Carolina Council on the Holocaust, Greensboro Chapter in Guilford County for education and observance of the Holocaust.

Three thousand dollars (\$3,000) to the Young Women's Christian Association of Greensboro, N.C., Inc., in Guilford County to support its tutorial programs and public service programs of the Davie Street YWCA.

Two thousand dollars (\$2,000) to the Pleasant Garden Community Center in Guilford County to support its public service programs to benefit the entire community.

Three thousand five hundred dollars (\$3,500) to Greensboro Housing Authority for its tutorial program for disadvantaged youth in the Claremont Courts community.

Five thousand (\$5,000) to the Youth Services, Inc., in Guilford County for its Best Friends Program for disadvantaged troubled youth.

Five thousand five hundred dollars (\$5,500) to the United Negro College Fund in Forsyth County to provide funding for scholarships for needy students.

H2600 HENDERSON PROJECTS FUNDS

Ten thousand dollars (\$10,000) to the City of Henderson in Vance County to establish a new Farmers Market site or improve the existing facility.

Five thousand dollars (\$5,000) to the City of Henderson in Vance County for capital improvements to its police training facility needed to obtain recertification by the State. The facility is used by all the area law enforcement agencies without charge.

Two thousand five hundred dollars (\$2,500) to Henderson Institute Graduates and Former Students Association, Inc., for capital expenditures for the Henderson Institute restoration of its historic buildings.

Two thousand five hundred dollars (\$2,500) to Franklin-Vance-Warren Opportunity, Inc., for the operating expenses of its

community service programs for low-income persons or capital expenditures, or both.

Two thousand dollars (\$2,000) to The Person County Council On Aging for capital improvements.

Two thousand dollars (\$2,000) to Granville County for the Granville County Senior Center for capital improvements.

Two thousand dollars (\$2,000) to the Roanoke Canal Commission, Inc., for the operating expenses of its public service projects in the Roanoke Rapids area or capital improvements, or both.

Two thousand dollars (\$2,000) to the Town of Littleton for the Littleton Civic and Senior Citizens' Club Community Center for operating expenses or capital improvements, or both.

Two thousand dollars (\$2,000) to Caswell County for a central communications tower.

H2601 MECKLENBURG HUMAN SERVICES FUNDS

Five thousand dollars (\$5,000) to Charlotte Emergency Housing, Inc., to provide housing for homeless families to help keep the families together during emergency and financial crises.

Five thousand dollars (\$5,000) to the Charlotte Organizing Project, Inc., for the senior citizens housing code program.

Five thousand dollars (\$5,000) to Child Care Resources, Inc., to provide interim emergency child care to enable the homeless to engage in job searching.

Ten thousand dollars (\$10,000) to Planned Parenthood of Greater Charlotte, Inc., for the outreach program.

Five thousand dollars (\$5,000) to the Council for Children, Inc., of Charlotte to continue the demonstration project entitled "Linking Families with Friends," which will identify children from birth to nine years, and their families, who are at risk for crisis situations, provide volunteers to assist these families in identifying, prioritizing, and solving problems, create self-perpetrating, community-based support groups, and evaluate the effects of early identification and intervention.

H2605 FAYETTEVILLE-CUMBERLAND FUNDS

One thousand five hundred dollars (\$1,500) to the City of Fayetteville for the Fayetteville Business and Professional Women's Association for community programs.

One thousand five hundred dollars (\$1,500) to the City of Fayetteville for the Fayetteville Women's Club for community programs.

One thousand five hundred dollars (\$1,500) to Cumberland County for the Grays Creek Women's Club for community programs.

Two thousand dollars (\$2,000) to Cumberland County for the Cumberland County Sheltered Workshop for community programs.

H2606 19TH HOUSE DISTRICT SPECIAL FUNDS

Two thousand five hundred dollars (\$2,500) to the Center of Independent Living, Inc., a nonprofit organization that provides a community living skills program for mentally handicapped citizens of Lee and surrounding counties, for capital improvements to its facility.

Four thousand dollars (\$4,000) to Lee County Industries, Inc., a sheltered workshop for the disabled, for capital improvements.

Seven thousand dollars (\$7,000) to the Lee County Veterans Memorial Fund, Inc., for capital improvements.

One thousand five hundred dollars (\$1,500) to Lee County for capital improvements to the Carbondon Community Center.

Five thousand dollars (\$5,000) to the Town of Angier for capital improvements.

Five thousand dollars (\$5,000) to the Town of Erwin for capital improvements.

Three thousand dollars (\$3,000) to Harnett County Uplift Operations, Inc., for capital or operating expenses for its public service programs.

Two thousand dollars (\$2,000) to the Lee County BMX Parent's Association, Inc., an organization fostering child development through competitive sports activities, for capital improvements.

H2607 N.C. LAND TRUSTEES FUNDS

Three thousand five hundred dollars (\$3,500) to the N. C. Land Trustees of America, Inc., to create home ownership opportunities for Durham citizens with modest incomes.

H2608 WAKE PUBLIC PROJECTS FUNDS

Three thousand dollars (\$3,000) to the Association for Retarded Citizens for operating expenses for its public service projects.

Three thousand dollars (\$3,000) to the Raleigh Dialysis Center for medicine and transportation.

Two thousand dollars (\$2,000) to the Friends of Page-Walker Hotel, Inc., for renovations to the historic Page-Walker Hotel.

Three thousand dollars (\$3,000) to the Town of Cary for operations of the White Plains Children's Development Center.

Five thousand dollars (\$5,000) to the YMCA of Cary for buildings and operating expenses for programs for the public.

Five thousand dollars (\$5,000) to the Fairgrounds Rural Fire Department for operating expenses.

Three thousand dollars (\$3,000) to Cary Area Rescue Squad, Inc., for operations.

Three thousand dollars (\$3,000) to Life Experiences, Inc., for

operating expenses in providing employment services for mentally handicapped adults.

One thousand dollars (\$1,000) to Shepherd's Table Soup Kitchen, Inc., for operating expenses.

Two thousand dollars (\$2,000) to the Town of Morrisville for a recreation facility at the municipal park.

H2612 ALAMANCE-ROCKINGHAM-STOKES FUNDS

Three thousand dollars (\$3,000) to the Alamance County Historical Museum, Inc., for operating and capital expenses.

Two thousand dollars (\$2,000) to the Eden Preservation Society, Inc., for operating and capital expenses.

Two thousand dollars (\$2,000) to Stokes County for transportation expenses of senior citizens.

Fifteen thousand dollars (\$15,000) to the Snow Camp Historical Drama Society, Inc., to assist in the support of the outdoor drama "Sword of Peace".

Three thousand dollars (\$3,000) to the Rockingham Council on Mental Retardation, Inc., for operating and capital expenses.

Five thousand dollars (\$5,000) to The City of Mebane for the Mebane Arts Center.

H2615 WAKE FUNDS

Three thousand dollars (\$3,000) to the Town of Cary for the Friends of Page-Walker Hotel, Inc., in Wake County for restoration of the historic Page-Walker Hotel in Cary, North Carolina.

Three thousand dollars (\$3,000) to the Apex Volunteer Fire Department, Rural Service, Inc., in Wake County for operating expenses and equipment.

Two thousand dollars (\$2,000) to the Holly Springs Rural Fire Department in Wake County for operating expenses and equipment.

Four thousand dollars (\$4,000) to the Town of Fuquay-Varina in Wake County to be used for recreational and educational projects and to be allocated as follows:

- (1) Three thousand dollars (\$3,000) for recreation programs in the town
- (2) One thousand dollars (\$1,000) for the Pine Acres Tutorial Program.

Two thousand dollars (\$2,000) to the Town of Garner in Wake County to help support a senior citizens home.

Two thousand dollars (\$2,000) to the Garner Volunteer Fire Department, Inc., in Wake County for operating expenses and equipment of the Panther Branch.

One thousand five hundred dollars (\$1,500) to The Knightdale

Volunteer Fire Department, Inc., in Wake County for operating expenses and equipment.

One thousand five hundred dollars (\$1,500) to the Town of Knightdale in Wake County for its recreation programs designed to benefit the entire community.

Two thousand dollars (\$2,000) to the Capital Area Arts Foundation in Wake County to continue to promote the arts in Wake County.

Two thousand dollars (\$2,000) to the City of Raleigh in Wake County to be used to fund a shelter for the homeless.

One thousand dollars (\$1,000) to the Shepherd's Table Soup Kitchen, Inc., in Wake County to support its food service program for the homeless.

One thousand dollars (\$1,000) to the Radio Reading Services, Inc., in Wake County for development and expansion of services to the visually handicapped and print impaired.

Two thousand dollars (\$2,000) to the Rehabilitation Services of Wake County, Inc., to support its program for youths in crises.

One thousand dollars (\$1,000) to the Young Men's Christian Association of Raleigh, Incorporated, on Garner Road in Wake County to support its recreation program for disadvantaged youth.

Two thousand dollars (\$2,000) to the Tammy Lynn Memorial Foundation, Inc., in Wake County to support its program for the mentally handicapped of Wake County.

H2618 16TH HOUSE DISTRICT SPECIAL FUNDS

Three thousand dollars (\$3,000) to the Maxton Day Care Council, Inc., for operation of its adult day care program.

Twelve thousand dollars (\$12,000) to the Robeson County Church and Community Center, Inc., to be allocated as follows:

- (1) Three thousand dollars (\$3,000) for at-risk youth;
- (2) Two thousand dollars (\$2,000) for indigent day care;
- (3) Five thousand dollars (\$5,000) for youth involvement programs; and
- (4) Two thousand dollars (\$2,000) for emergency assistance funds.

Two thousand dollars (\$2,000) to the Scotland County Literacy Council, Inc., for operations.

One thousand dollars (\$1,000) to the Scotland County Boxing Club, Inc., for youth development programs.

Two thousand dollars (\$2,000) to the Scurlock Community Organization, Inc., to be allocated as follows:

- (1) One thousand dollars (\$1,000) for senior citizen trips; and
- (2) One thousand dollars (\$1,000) for the Hoke County M. L. King Celebration (1989).

Three thousand dollars (\$3,000) to the Robeson County Parks and Recreation Department for community center development.

Two thousand dollars (\$2,000) to the Purvis Community Civic Organization for Purvis School renovations.

One thousand five hundred dollars (\$1,500) to Scotland County for operations of the Scotland County Arts Council.

One thousand dollars (\$1,000) to the Robeson Little Theatre, Inc., for operating expenses in providing theater to the community.

Two thousand five hundred dollars (\$2,500) to the Robeson County Black Heritage Association, Inc., for historical projects in Robeson County.

H2621 60TH HOUSE DISTRICT SPECIAL FUNDS

Six thousand dollars (\$6,000) to the Charlotte-Mecklenburg Youth Council to assist the operations and programs.

Two thousand two hundred dollars (\$2,200) to the Metropolitan African Methodist Episcopal Zion Church, Inc., for operational expenses and transportation for the children attending its Day Care Center in Charlotte. These children are low-income children and they participate regardless of their family's religious affiliation.

Nine thousand dollars (\$9,000) to the Association for Sickle Cell Disease of Charlotte-Metrolina, Inc., for counseling, testing, outreach, and follow-up.

Two thousand four hundred dollars (\$2,400) to The Young Men's Christian Association of Charlotte and Mecklenburg for the Community Services Program (Outreach) at the McCrorey Branch.

Four thousand dollars (\$4,000) to the Charlotte Area Funds, Inc., for client assistance, books, utilities, transportation, operational needs not covered by the agency grant and other expenses related to its learning center program which benefits the citizens of the area.

Two thousand dollars (\$2,000) to the City of Charlotte for its Housing Authority for assisting the Scholarship Program for the public housing youth.

One thousand two hundred dollars (\$1,200) to Charlotte Emergency Housing, Inc., for operating expenses and supplies.

One thousand two hundred dollars (\$1,200) to Planned Parenthood of Greater Charlotte, Inc., for operational expenses and outreach educational programs.

One thousand dollars (\$1,000) to The Relatives, Inc., a family crisis intervention and counseling center in Charlotte for operational expenses.

One thousand dollars (\$1,000) to Family Housing Services, Inc., for comprehensive housing counseling services.

H2622 21ST HOUSE DISTRICT SPECIAL FUNDS

Three thousand dollars (\$3,000) to Artspace, Inc., a non-profit organization that promotes and encourages the arts, for operations.

Three thousand dollars (\$3,000) to the Carolina Hunger Coalition, Inc., for operating expenses in providing low-income individuals with education expenses aimed at enhancing self-sufficiency.

Four thousand five hundred dollars (\$4,500) to the Young Men's Christian Association of Raleigh, Incorporated, for operating expenses for its public service programs.

Two thousand dollars (\$2,000) to the Capital Area Arts Foundation, Inc., for operating expenses for supporting the arts in Wake County.

Three thousand dollars (\$3,000) to the Girls Club of Wake County for operating expenses in providing public service programs to promote health awareness of young women, provide homemaking skills, and reduce teen pregnancy.

Three thousand dollars (\$3,000) to the Cued Speech Center, Inc., for operating expenses to provide services for the hearing impaired.

Two thousand dollars (\$2,000) to Faith Community Camp, Inc., in Wake County, for operating expenses for a summer camp primarily for underprivileged youth.

Three thousand dollars (\$3,000) to Rehabilitation Services of Wake County, Incorporated, for operating expenses for special programs in the areas of speech, occupational, and physical therapy.

Three thousand five hundred dollars (\$3,500) to the Council on Aging of Wake County, Inc.

Three thousand dollars (\$3,000) to Wake County Opportunities, Inc., a community action agency for low income persons, for a Head Start program for children and for crisis intervention in the community it serves.

H2624 22ND HOUSE DISTRICT SPECIAL FUNDS

Three thousand dollars (\$3,000) to The Person County Council on Aging Fund for operating expenses of the community service programs it supports.

Three thousand dollars (\$3,000) to Person County for the Children's Learning Center of Person County for operating expenses of its public service programs.

Two thousand dollars (\$2,000) to Granville County for operating expenses of the Granville County Senior Center.

Two thousand dollars (\$2,000) to The Granville Arts Council, Inc., to help promote the arts.

Two thousand dollars (\$2,000) to the Granville County Council on Aging, Incorporated, for the operating expenses of its community service programs.

Five thousand dollars (\$5,000) to the Roanoke Canal Commission, Inc., for operating expenses of its public service programs.

Two thousand dollars (\$2,000) to the Littleton Volunteer Fire Department for operating expenses and equipment.

Two thousand dollars (\$2,000) to the Town of Littleton for the Littleton Senior Citizens Club to assist with operating expenses of its community service programs.

Four thousand dollars (\$4,000) to the Caswell County Board of County Commissioners to be allocated as follows:

- (1) Two thousand dollars (\$2,000) for the County Emergency Medical Services to be used for operating expenses; and
- (2) Two thousand dollars (\$2,000) for the Family Violence Program to be used for operating expenses.

Five thousand dollars (\$5,000) to the City of Henderson for a police training facility.

H2626 WESTERN COUNTIES PROJECTS FUNDS

Five thousand dollars (\$5,000) to the Watauga County Arts Council, Inc., for capital expenditures for the Blowing Rock Performing Arts Center.

Two thousand dollars (\$2,000) to the Town of Blowing Rock for the Town's Centennial Celebration.

Five thousand dollars (\$5,000) to Watauga County for the Watauga County Library to be used for planning a new library facility.

Five thousand dollars (\$5,000) to Watauga County to be used for training volunteer fire fighters.

Two thousand five hundred dollars (\$2,500) to the Surry County Arts Council to continue its arts programs, which benefit the community.

Five thousand dollars (\$5,000) to Alleghany Fairgrounds, Inc., for construction at the Carlisle Higgins Agricultural and Civic Center.

Five thousand dollars (\$5,000) to Hospice of Stokes County to provide care for the terminally ill and their families.

H2629 48TH HOUSE DISTRICT SPECIAL FUNDS

Five thousand dollars (\$5,000) to the Polk County Senior Citizens Club, Inc., for operations.

Five thousand dollars (\$5,000) to Polk County Commissioners for the Polk County ADAP program.

Five thousand dollars (\$5,000) to the Cleveland County Memorial Library for operating funds.

Five thousand dollars (\$5,000) to the Cleveland County Boys' Club, Inc., for operating funds.

Five thousand dollars (\$5,000) to Cleveland County Senior Citizens

Housing, Inc., for operating funds.

Five thousand dollars (\$5,000) to the Cleveland County Kidney Association, Inc., for operating funds.

Four thousand dollars (\$4,000) to Cleveland County for operating funds for the Cleveland County ADAP program.

Five thousand dollars (\$5,000) to Hospice of Cleveland County, Inc., for operating expenses in providing compassionate care to terminally ill patients and their families.

Five thousand dollars (\$5,000) to the Cleveland County Chapter of the American Red Cross for the bus fund.

One thousand dollars (\$1,000) to the Broad River Genealogical Society for operating funds.

Five thousand dollars (\$5,000) to the Shelter Home of Cleveland County, Inc., for operating funds.

Five thousand dollars (\$5,000) to Cleveland County for the Mental Health Association for the building fund.

Five thousand dollars (\$5,000) to Cleveland County Commissioners for the Cleveland County Special Olympics.

H2633 NEW HANOVER PROJECTS FUNDS

Three thousand seven hundred dollars (\$3,700) to the Greater Wilmington Chamber of Commerce to be allocated as follows:

- (1) Two thousand seven hundred dollars (\$2,700) to assist with the mini-grants program for teachers
- (2) One thousand dollars (\$1,000) to help repair and maintain the county statues.

Two thousand dollars (\$2,000) to New Hanover Community Services Association, Inc., to assist with the cost of its community services which help provide emergency food assistance, fuel, shelter assistance, rent assistance, youth services, and other needs of the economically disadvantaged.

One thousand dollars (\$1,000) to Family Services of the Lower Cape Fear, Inc., in New Hanover County to help with its community service program which matches youngsters with adult volunteers to help these children build self-esteem and a positive self-image.

Five thousand dollars (\$5,000) to New Hanover County Extension Service Arboretum, Inc., to help complete the greenhouse and stock it with plants.

Two thousand dollars (\$2,000) to Ogden-New Hanover Volunteer Rescue Squad, Inc., to be divided equally between its two locations for the purchase of equipment and operating expenses.

One thousand dollars (\$1,000) to Pleasure Island Volunteer Rescue Squad, Inc., in Carolina Beach for operating expenses and equipment.

One thousand dollars (\$1,000) to the Food Bank of the Lower Cape

Fear to help with operating costs of its public service projects.

One thousand dollars (\$1,000) to Cued Speech Center, Inc., for the North Carolina Cued Speech Association in New Hanover County to help support its community programs, including workshops for family members of hearing impaired people and professionals to teach them how to use cued speech and to work with local schools in mainstreaming hearing impaired children.

Six thousand dollars (\$6,000) to Domestic Violence Shelter and Services of the Cape Fear Area, Inc., to be used for renovations to the shelter and operating costs of its community service projects.

Two thousand five hundred dollars (\$2,500) to the Young Women's Christian Association of Wilmington, North Carolina, Incorporated, in New Hanover County to help with its community service programs.

Three thousand five hundred dollars (\$3,500) to Brigade Boys Club, Inc., for capital improvements that will provide a recreational center for the youth of the area and for operating expenses of its community service programs.

H2634 HARNETT PUBLIC SERVICES FUNDS

Five thousand dollars (\$5,000) to Rape Crisis Intervention of Harnett County, Inc., for operating funds to continue serving as an advocate for sexual assault victims and their families.

Five thousand dollars (\$5,000) to Harnett County Historical Society Foundation, Inc., for the continued renovation of the Campbell family property, which belonged to the founders of Campbell University.

Five thousand dollars (\$5,000) to Hospice of Harnett County, Inc., to continue to provide home health care for the terminally ill.

Five thousand dollars (\$5,000) to the Harnett County Uplift Operation, Inc., to assist in the development of minority businesses.

Two thousand dollars (\$2,000) to the Town of Angier in Harnett County for further restoration of Depot Square.

Three thousand dollars (\$3,000) to the Woman's Club of Dunn, Inc., in Harnett County for capital improvements to its building.

Two thousand dollars (\$2,000) to the Town of Erwin in Harnett County for capital improvements.

Three thousand dollars (\$3,000) to the Town of Lillington in Harnett County for capital improvements.

H2635 BLADEN PUBLIC SERVICES FUNDS

Two thousand dollars (\$2,000) to the Town of Clarkton in Bladen County for the Clarkton Dixie Youth Program for operating expenses in providing its community service programs for Clarkton's young people.

Two thousand dollars (\$2,000) to the Town of Elizabethtown in

Bladen County for the Elizabethtown Revitalization Committee for operating expenses in providing incentives for Elizabethtown revitalization.

One thousand dollars (\$1,000) to Bladen County for Bladen County's Rape and Sexual Abuse Victim Services for operating expenses.

One thousand five hundred dollars (\$1,500) to the Town of White Lake in Bladen County for the White Lake Police Department for equipment and operating expenses.

Two thousand five hundred dollars (\$2,500) to Bladen County for the Willing Workers Community Building for operating expenses in providing a facility for community activities.

H2636 FORSYTH PUBLIC FUNDS

Four thousand dollars (\$4,000) to the North Carolina Black Repertory Company, Inc., in Forsyth County to bring actors of national celebrity status to North Carolina to perform with actors of the North Carolina Repertory Company and to assist in furthering the training of local actors of the company.

Five thousand dollars (\$5,000) to the Winston-Salem Delta Fine Arts, Incorporated, in Forsyth County to assist in providing arts and humanities programs, including exhibitions, classes, workshops, lectures, and performances by professional artists to the community, many of which are free of charge.

Six thousand dollars (\$6,000) to Experiment in Self-Reliance, Inc., in Forsyth County for equipment and services. Of these funds, three thousand dollars (\$3,000) shall be used to purchase a computer terminal, software, and supplies for administrative functions, and three thousand dollars (\$3,000) shall be used to continue services to the Gladiators Boxing Club for community youths.

Three thousand dollars (\$3,000) to the Neighborhood Justice Center of Winston-Salem/Forsyth County, Inc., to continue its programs which resolve disputes through the process of mediation and provide free, voluntary, and confidential alternatives to the courts.

Three thousand dollars (\$3,000) to the Bethlehem Community Center, Inc., in Forsyth County to assist preschool children from low-income families by providing scholarships.

Seven thousand five hundred dollars (\$7,500) to the United Negro College Fund in Forsyth County to award scholarships and financial aid to needy students.

Five thousand dollars (\$5,000) to the Winston-Salem/Forsyth County Council on the Status of Women, Inc., to continue funding of the Council's Job Strategy Center which assists women of all ages and backgrounds who are in transition, including divorced or widowed

women, women reentering the job market, female heads of households, and semiliterate or illiterate women.

Two thousand dollars (\$2,000) to the Forsyth Prison Chaplaincy in Forsyth County for the purchase of a computer to assist in utilizing the extensive network of volunteers, churches, and talents to assist in their service to inmates, ex-offenders, and their families.

Three thousand dollars (\$3,000) to the National Association for the Advancement of Colored People, Winston-Salem Chapter, in Forsyth County to assist in the after-school tutorial program for students who are deficient in math and reading.

Eight thousand dollars (\$8,000) to Lift, Inc., in Forsyth County, otherwise known as Learning Is Fun, Too, to provide educational and counseling support services to at-risk youth of Forsyth County, ages 6-16, including students suspended from the public school system.

Five thousand dollars (\$5,000) to the Young Men's Christian Association of Winston-Salem and Forsyth County to provide camperships for boys from low-income families to the Winston-Lake Family YMCA.

Five hundred dollars (\$500.00) to the Nature Science Center of Forsyth County, Inc., to provide exhibits and information primarily for school age children.

Four thousand five hundred dollars (\$4,500) to the Young Women's Christian Association of Winston-Salem and Forsyth County, Inc., for scholarships. Of these funds, four thousand dollars (\$4,000) shall be used for scholarships and direct assistance to women who have been affected by incarceration and are involved in project New Start, and five hundred dollars (\$500.00) shall be used for scholarship assistance to ensure diversity in family life activities.

One thousand dollars (\$1,000) to Family Services, Inc., in Forsyth County to assist in the fund raising efforts to build and furnish a home for battered women and children.

One thousand dollars (\$1,000) to the Rape Line of Winston-Salem in Forsyth County for counseling services of rape victims.

One thousand five hundred dollars (\$1,500) to The Arts Council, Inc., in Forsyth County to assist with general and administrative costs.

H2637 WAYNE PUBLIC SERVICES FUNDS

Five thousand dollars (\$5,000) to Wayne County Boys' Club, Inc., for operating expenses for its programs for youth.

Six thousand dollars (\$6,000) to the following rescue squads in Wayne County to be divided equally among Fremont Rescue Squad, Inc., Goldsboro Rescue Squad, Inc., Grantham Rescue Squad, Inc., and Seven Springs Area Rescue Squad, Inc., for operating expenses and equipment.

One thousand five hundred dollars (\$1,500) to the Town of Mount Olive in Wayne County for the Mount Olive Rescue Squad for operating expenses and equipment.

Four thousand dollars (\$4,000) to Wayne County Historical Association for operating expenses of the Wayne County Museum.

Seven thousand dollars (\$7,000) to the Wayne County Board of Education for improvements at Grantham and Rosewood Schools.

Seven thousand dollars (\$7,000) to the Wayne County Livestock Development Association, Incorporated, for a scholarship development fund, to provide scholarship assistance to students pursuing a career in agriculture or natural resource development in public and private North Carolina institutions of higher education.

Two thousand dollars (\$2,000) to Community Arts Council, Inc., of Goldsboro, N.C., for operating expenses in providing cultural services and educational outreach programs.

Seven thousand five hundred dollars (\$7,500) to Wayne County Firemen's Association, Inc., for the development of a training center to serve the entire county.

Five thousand dollars (\$5,000) to Wayne Action Group for Economic Solvency, Inc., for capital improvements, to repair the facility housing the nutrition program for the elderly, the Head Start class, and many other community services and programs.

Four thousand dollars (\$4,000) to the Town of Pikeville in Wayne County for operating expenses of the Town recreational projects and the Town park.

Three thousand dollars (\$3,000) to Wayne County for a veterans monument to be erected at the Wayne County Public Library, provided that if the funds are not expended in the four years after the effective date of the appropriation, then the funds shall revert to the General Fund.

Five thousand dollars (\$5,000) to the Town of Mount Olive in Wayne County for renovation of the historic Smith Street Community Center.

Three thousand dollars (\$3,000) to the City of Goldsboro for the Community Affairs Department for a cultural enrichment program.

H2638 HALIFAX-MARTIN-WARREN FUNDS

Five hundred dollars (\$500.00) to the Enfield Rescue Squad, Inc., for operating expenses.

One thousand five hundred dollars (\$1,500) to the Town of Littleton for the Littleton Civic and Senior Citizens Club Community Center for improvements.

Two thousand five hundred dollars (\$2,500) to the Haliwa-Saponi Tribe, Inc., for improvements.

One thousand five hundred dollars (\$1,500) to the Center for Adolescent and Adult Development in Weldon, for operating expenses for public services.

One thousand dollars (\$1,000) to Halifax County for the Halifax County Coalition for Progress for emergency energy assistance.

One thousand dollars (\$1,000) to the Eastern Stage, Inc., for the "First in Freedom" drama of Halifax County.

One thousand five hundred dollars (\$1,500) to the Southern Halifax Human Development Council, Inc., for a day care center.

One thousand dollars (\$1,000) to the Lillie Pike Sullivan Municipal Library in Enfield for program improvements.

One thousand five hundred dollars (\$1,500) to the Hollister Rescue Squad, Inc., for operating expenses, equipment, or capital needs.

One thousand five hundred dollars (\$1,500) to the Town of Scotland Neck for improvements to the town auditorium.

One thousand five hundred dollars (\$1,500) to the Lakeland Cultural Arts Center, Inc., to promote cultural arts.

One thousand dollars (\$1,000) to the Town of Enfield for the Peanut Festival.

One thousand dollars (\$1,000) to the Kappa Iota Omega Chapter of the Alpha Kappa Alpha Sorority, Inc., for public service projects in the Enfield area.

One thousand dollars (\$1,000) to the Enfield-Roanoke Rapids Chapter of the Delta Sigma Theta Sorority, Inc., for public service projects.

Five hundred dollars (\$500.00) to the Juvenile Court Counselor's Fund of the Sixth Judicial District, Inc., for program improvements.

One thousand dollars (\$1,000) to Halifax County for a computer for the Halifax County Library.

One thousand five hundred dollars (\$1,500) to the Roanoke Valley Adult Day Center for program improvements.

One thousand five hundred dollars (\$1,500) to Parmele Community Organization, Inc., for a senior citizens facility.

One thousand dollars (\$1,000) to the Hamilton Community Organization, Inc., for repairs for the community center.

Five hundred dollars (\$500.00) to the Martin County Board of Education for the Lottie Griffin Scholarship Fund of Roanoke High School.

Five hundred dollars (\$500.00) to the Martin Community Players, Inc., for program improvement.

One thousand five hundred dollars (\$1,500) to the Martin County Board of Education for program or capital improvement in the public schools.

Five hundred dollars (\$500.00) to the Carol Wilson Caldwell

Memorial Legal Scholarship Fund to provide scholarships for law students.

Five hundred dollars (\$500.00) to the Warrenton Rural Voluntary Fire Association, Inc., for equipment.

Five hundred dollars (\$500.00) to the Arcola Rural Volunteer Fire Department, Inc., for equipment.

One thousand dollars (\$1,000) to the Franklin-Vance-Warren Opportunity, Inc., for program improvement for preschool for low-income children.

Five hundred dollars (\$500.00) to the Warren County Memorial Library for library material.

One thousand dollars (\$1,000) to the Halifax County Board of Education for a computer for McIver Elementary School.

H2642 22ND DISTRICT LOCAL PROJECTS FUNDS

Five thousand dollars (\$5,000) to North Granville Emergency Medical Service for operating expenses and equipment purchases.

Eight thousand dollars (\$8,000) to Caswell County to purchase a communications tower.

Five thousand dollars (\$5,000) to Caswell County to support the position of Program Developer and Coordinator of Aging Services for Caswell County.

Three thousand dollars (\$3,000) to Roxboro-Person County Rescue Squad, Inc., for operating expenses and equipment.

Three thousand dollars (\$3,000) to Timberlake Volunteer Fire Department for operating expenses and equipment.

Two thousand dollars (\$2,000) to Eastern Stage, Inc., to assist with operating expenses and production costs of the outdoor drama "First in Freedom."

One thousand dollars (\$1,000) to Granville County for the Granville County Senior Center to help with operating costs.

One thousand dollars (\$1,000) to the City of Henderson for its Police Training Center to assist with operating expenses.

One thousand dollars (\$1,000) to The Person County Council on Aging for operating expenses of its public service programs.

One thousand dollars (\$1,000) to Person County Children's Learning Center of Person County to help with operating costs of its public service programs.

H2644 CHARLOTTE AREA PUBLIC SERVICES FUNDS

Two thousand dollars (\$2,000) to the Anita Stroud Foundation, Inc., for programs for youth, including after-school tutorials, summer enrichment, and camping experience.

Two thousand dollars (\$2,000) to Family Housing Services, Inc.,

for low-income housing.

Two thousand dollars (\$2,000) to The Bethlehem Center of Charlotte, Inc., for community programs including Head Start, summer camp, and tutorial services.

Four thousand dollars (\$4,000) to the Association for Sickle Cell Disease for Charlotte-Metrolina, Inc., for counseling, testing, outreach, and follow-up programs.

Three thousand dollars (\$3,000) to The Gethsemane Enrichment Program, Inc., for human services programs, including hot meals for senior citizens, day care services, after-school care, and an all-year tutorial program for youth.

Four thousand dollars (\$4,000) to the Charlotte Mecklenburg Youth Council for youth services, including hot meals, transportation, and recreation services.

Three thousand dollars (\$3,000) to the Charlotte Mecklenburg Afro-American Cultural and Service Center, Inc., for preservation of historical materials.

Two thousand dollars (\$2,000) to the Young Men's Christian Association of Charlotte and Mecklenburg for operating funds for all community service programs at the McCrory Branch Y.M.C.A.

Two thousand dollars (\$2,000) to Planned Parenthood of Greater Charlotte, Inc., for education for teenagers to prevent pregnancy.

Two thousand dollars (\$2,000) to the Charlotte-Mecklenburg Urban League for operating expenses for a job training program.

Two thousand dollars (\$2,000) to The Relatives, Inc., for operating expenses for its family crisis intervention programs and counseling services.

Two thousand dollars (\$2,000) to Shalom Homes, Inc., of Charlotte for operating expenses for its residential home for homeless youth.

H2645 WESTERN N.C. OMNIBUS FUNDS

Three thousand dollars (\$3,000) to The Transylvania County Historical Society, Inc., to assist in the restoration of the historic William Deavor House.

Three thousand dollars (\$3,000) to the Asheville Symphony Society, Inc., in Buncombe County to promote education in the schools through the Asheville Symphony's Outreach Program.

Two thousand dollars (\$2,000) to the Mountain Outdoor Recreation Alliance (MORA) in Buncombe County for computer hardware to assist in the development of a recreation information system for the western 22 counties of North Carolina.

Three thousand dollars (\$3,000) to The Opportunity Corporation of Madison and Buncombe Counties to reduce the agency's general fund deficit and to supplement its crisis program fund.

Three thousand dollars (\$3,000) to The Big Ivy Historical Society in Buncombe County to assist in additions to the Big Ivy Historical Village.

Three thousand dollars (\$3,000) to the Western North Carolina Creative Arts Hall of Fame in Buncombe County for additions to exhibition area.

Two thousand dollars (\$2,000) to the Nature Society, Inc., in Buncombe County for the Western North Carolina Nature Center's educational programs designed to supplement and enhance the standard North Carolina elementary school science curriculum.

Three thousand dollars (\$3,000) to Meals on Wheels of Asheville and Buncombe County, Inc., to maintain current level of service.

One thousand five hundred dollars (\$1,500) to the Town of Black Mountain in Buncombe County for financial assistance for the Sourwood Festival.

One thousand five hundred dollars (\$1,500) to the City of Asheville in Buncombe County to sponsor the annual Belle Chere Street Festival in the City of Asheville.

Three thousand dollars (\$3,000) to the Western North Carolina Reading Service in Buncombe County, to operate specialized radio reading service for the blind and handicapped.

Six thousand dollars (\$6,000) to The YMI Cultural Center, Inc., Buncombe County, to preserve and restore the Center, which is listed on the National Register of Historic Places.

Three thousand dollars (\$3,000) to the Mountain Area Hospice Corporation in Buncombe County, for operating expenses to allow the corporation to continue its service to terminally ill patients.

Two thousand dollars (\$2,000) to the Western Carolina Rescue Mission, Inc., in Buncombe County, for assistance to its programs that provide vital shelter for the homeless.

Three thousand dollars (\$3,000) to the Western North Carolina Lions, Inc., in Buncombe County, for the Marjorie McCune Memorial Center expansion project.

Three thousand dollars (\$3,000) to the Swannanoa Valley Child Care Council, Inc., in Buncombe County to complete the payments on its mortgage.

Three thousand dollars (\$3,000) to the University Botanical Gardens at Asheville, Inc., for construction and maintenance of The University of North Carolina at Asheville Botanical Gardens.

Four thousand dollars (\$4,000) for the Asheville-Buncombe Community Christian Ministry, Inc., for capital expenses for its homeless shelter.

Ten thousand dollars (\$10,000) to The Health Adventure, Inc., in Buncombe County for moving expenses to new permanent location.

Three thousand dollars (\$3,000) to the Swannanoa Valley Christian Ministry, Inc., in Buncombe County to provide food and clothing for indigents.

Five thousand dollars (\$5,000) to Contact: Asheville/Buncombe, Inc., for the purchase of office equipment in order to continue its work as volunteer crisis intervention help-line and telephone counseling service 24 hours a day, 365 days a year, without interruption.

Five thousand dollars (\$5,000) to Western North Carolina Public Radio, Inc., in Buncombe County for public radio station, WCQS-FM to help expand services to other western counties and for purchase of equipment to record events outside its studios for later broadcast.

Five thousand dollars (\$5,000) to the Buncombe County Board of Education for the Youth Alternative Project, a program aimed at preventing high school drop outs in the Buncombe County school system.

Ten thousand dollars (\$10,000) to the City of Brevard in Transylvania County for repair and renovation of the Franklin Park swimming pool.

Five thousand dollars (\$5,000) to the Transylvania Youth Association, Inc., in Transylvania County to aid in the construction of a centrally-located community center to be used as a facility by young people and retired adults for recreational sports, meetings, exercise, and other uses, provided that Transylvania County raises ten thousand dollars (\$10,000) to match this grant on the basis of two dollars (\$2.00) of non-State funds for every one dollar (\$1.00) of State funds.

Five thousand dollars (\$5,000) to Black Mountain Committee for Better Sports, Inc., to improve and install lights for the playing field at Black Mountain School for athletic events for the young people of Black Mountain and Eastern Buncombe County.

Four thousand dollars (\$4,000) to on a per student basis to purchase tickets for the Ramses II Exhibition in Mecklenburg County:

- (1) Buncombe County Board of Education;
- (2) Asheville City Board of Education;
- (3) Henderson County Board of Education for Fletcher Elementary School; and
- (4) Transylvania County Board of Education.

Four thousand dollars (\$4,000) to The Arts Journal in Buncombe County to purchase office equipment.

Two thousand dollars (\$2,000) to the Flynn Christian Fellowship Houses of Asheville, North Carolina, in Buncombe County to refurbish and restore both of its residential facilities serving men and women who have problems associated with alcohol dependency.

Ten thousand dollars (\$10,000) to Eliada Homes, Inc., in

Buncombe County for care of children at the Eliada Home for Children.

H2647 NEW HANOVER PROJECTS FUND

Two thousand dollars (\$2,000) to New Hanover County for Parents Supporting Parents for its community service programs.

Five thousand dollars (\$5,000) to Pine Forest Cemetery Company for restoration and maintenance of Pine Forest Cemetery, a public cemetery of historic significance in Wilmington.

Three thousand five hundred dollars (\$3,500) to the sheriff of New Hanover County for Northside Neighborhood Housing Council, Inc., to help support its community programs that assist low and moderate income families in securing housing. The funds shall be held in trust by the sheriff until the questions involving the Council are resolved to his satisfaction. If the matter is not resolved within 90 days after receipt of the funds by the sheriff, the funds shall be allocated to Headstart of New Hanover County, Incorporated, to help with the cost of renovations to the building which houses the Headstart Program.

Four thousand dollars (\$4,000) to the Brigade Boys Club, Inc., for the Shaw-Speaks Community Center to use to improve its day care facilities which are available to the community and for its public service programs.

Four thousand dollars (\$4,000) to Headstart of New Hanover County, Incorporated, to help with the cost of renovations to the building which houses the Headstart program.

One thousand seven hundred dollars (\$1,700) to The Southeastern Sickle Cell Association, Incorporated, to help educate citizens about sickle cell disease and to assist patients suffering from sickle cell disease by helping with medical expenses, transportation arrangements, and other needs.

One thousand dollars (\$1,000) to Myrtle Grove Community Center, Inc., for the Dollian Trottie Community Center.

Three thousand dollars (\$3,000) to Katie B. Hines Senior Center, Inc., to help with operating costs of its community services and to purchase supplies and equipment.

Two thousand three hundred dollars (\$2,300) to Cape Fear Literacy Council in New Hanover County for its projects and services offered to provide educational opportunities to the citizens of the area.

One thousand five hundred dollars (\$1,500) to Yahweh Center, Inc., to assist with the operating expenses of its home for battered children.

One thousand five hundred dollars (\$1,500) to Child Advocacy Commission of Wilmington - New Hanover County, Inc., to support the development of Greenfield Place, which cares for children who are

victims of abuse.

One thousand eight hundred dollars (\$1,800) to The Association for Individual Development for the Handicapped (A.I.D.) to help with programs for learning disabled children.

H2657 DURHAM PUBLIC SERVICES FUNDS

Seven thousand five hundred dollars (\$7,500) to the Department of Cultural Resources, Division of Archives and History, for the Stagville Center, for capital improvements and operating expenses.

Five thousand dollars (\$5,000) to the Redwood Fire Department, in Durham, for equipment and operating expenses.

Two thousand five hundred dollars (\$2,500) to Durham County for the Durham County Inventory of Natural and Cultural Resources.

Ten thousand dollars (\$10,000) to the Durham Day Care Council, Inc., for operating expenses in providing quality day care for low income and other children.

Five thousand dollars (\$5,000) to United Health Services for Alcohol and Drug Abuse, of Durham, for operating expenses for services that aid victims of alcohol and drug abuse.

PART II.-----CORRECTIONS TO APPROPRIATIONS FOR PUBLIC PROJECTS

Requested by: Representative Hunter

-----MCDOWELL ARTS AND CRAFTS FUNDS/ELIMINATE MATCH

Sec. 2. Paragraph H2077 of Section 8 of Chapter 1014 of the 1985 Session Laws, 1986 Regular Session, reads as rewritten:

"H2077 MCDOWELL ARTS AND CRAFTS ASSOCIATION FUNDS

Forty thousand dollars (\$40,000) to the McDowell Arts and Crafts Association to build a community arts facility. ~~facility, provided the sum of eighty thousand dollars (\$80,000) is raised by the McDowell Arts and Crafts Association to match this appropriation on the basis of two dollars (\$2.00) of non-State funds for every one dollar (\$1.00) of State funds."~~

Requested by: Representative Hunter

-----MCDOWELL RECREATIONAL CENTER FUNDS/ELIMINATE MATCH

Sec. 3. (a) Paragraph H1749 of Section 6 of Chapter 830 of the 1987 Session Laws reads as rewritten:

"H1749 MCDOWELL RECREATION CENTER FUNDS

Fifteen thousand dollars (\$15,000) to McDowell County for a

recreational center. ~~These funds shall be matched on a two-to-one, local-to-State funds match.~~ These funds may be contributed to the local recreational commission or to a nonprofit foundation or corporation if the County Commissioners determine that a center can best be built by such an organization."

(b) Paragraph S1183* of Section 6 of Chapter 830 of the 1987 Session Laws reads as rewritten:

"S1183* MCDOWELL RECREATION CENTER FUNDS

Fifteen thousand dollars (\$15,000) to McDowell County for a recreational center. ~~These funds shall be matched on a two-to-one, local-to-State funds match.~~ — These funds may be contributed to the local recreational commission or to a nonprofit foundation or corporation if the County Commissioners determine that a center can best be built by such an organization."

Requested by: Representative J. Brown

-----LOCAL CORRECTION-1987 WILKESBORO FUNDS

Sec. 4. (a) Paragraph H419 of Section 6 of Chapter 830 of the 1987 Session Laws reads as rewritten:

"H419 OLD WILKES, INC., FUNDS

~~Twenty~~ Twenty-six thousand dollars ~~(\$20,000)~~ (\$26,000) to Old Wilkes, Incorporated, for the Captain Robert Cleveland House Project to restore that historic site."

(b) Paragraph S1033 of Section 6 of Chapter 83 of the 1987 Session Laws reads as rewritten:

"S1033 HISTORIC PRESERVATION FUNDS

Eight thousand dollars (\$8,000) to Fort Defiance, Inc., for a sprinkling system, to improve the safety and accessibility of historic Fort Defiance.

~~Six thousand dollars (\$6,000) to the Town of Wilkesboro for repair and maintenance of historic Old Town Cemetery.~~

Ten thousand dollars (\$10,000) to the Chapel of Rest Preservation Society, Inc., for restoration and preservation of the historic Chapel of Rest, to make it more accessible to all who are interested in the history of North Carolina.

Ten thousand dollars (\$10,000) to Caldwell County for restoration of the historic Reverend Jessie Rankin House, and to make it more accessible to the public."

(c) If funds have been disbursed to the Town of Wilkesboro under Paragraph S1033 in Section 6 of Chapter 830 of the 1987 Session Laws, subsections (a) and (b) of this section shall become effective only if all of such funds are returned by the Town of Wilkesboro to the State.

Requested by: Representative Enloe

-----LOCAL CORRECTION-MACON COUNTY FRUIT GROWERS FUNDS

Sec. 5. Paragraph H417 of Section 6 of Chapter 830 of the 1987 Session Laws reads as rewritten:

"H417 MACON FRUIT GROWERS FUNDS

Twelve thousand dollars (\$12,000) to the Town of Franklin for materials to run a ~~water~~ sewer line to Macon County Fruit and Vegetable Growers Association, Inc.,'s plant, to assist in the operation of the Association's farmers market."

Requested by: Representative Bowen

-----LOCAL CORRECTION-ROWAN AND INGOLD COMMUNITIES

Sec. 6. (a) Paragraph H1870 of Section 6 of Chapter 830 of the 1987 Session Laws reads as rewritten:

"H1870 INGOLD COMMUNITY BUILDING FUNDS

Two thousand four hundred dollars (\$2,400) to ~~the Town of Ingold Sampson County~~ for building repairs to the Ingold Community Center Building North."

(b) Paragraph H1871 of Section 6 of Chapter 830 of the 1987 Session Laws reads as rewritten:

"H1871 ROWAN COMMUNITY BUILDING FUNDS

One thousand six hundred dollars (\$1,600) to ~~the Town of Rowan Sampson County~~ for repairs to the Rowan Community Building."

Requested by: Representative Cunningham

-----LOCAL CORRECTION-CHARLOTTE BUSINESS LEAGUE FUNDS

Sec. 7. Paragraph H2095 of Section 6 of Chapter 830 of the 1987 Session Laws reads as rewritten:

"H2095 ~~CHARLOTTE BUSINESS LEAGUE FUNDS~~
JOHNSON C. SMITH UNIVERSITY FUNDS

Five thousand dollars (\$5,000) to the Charlotte Business League for operating expenses of the program providing for entrepreneurship, provided that a like amount of non-State funds is raised from the members of the League to match the appropriation on a dollar-for-dollar basis Johnson C. Smith University in Charlotte for restoration of the auditorium of historic Biddle Memorial Hall."

Requested by: Representative E. Warren

-----LOCAL CORRECTION-PITT AND GREENE FUNDS

Sec. 8. (a) Paragraph H1782 of Section 6 of Chapter 830 of the 1987 Session Laws reads as rewritten:

"H1782 PITT ~~RETARDED CITIZENS~~ INDIGENT PATIENT FUNDS

One thousand dollars (\$1,000) to Pitt County ~~Association for Retarded Citizens, Inc.~~ Mental Health, Mental Retardation, and Substance Abuse Center, for its the 'Laughinghouse Fund', which provides health care and related services for medically needy, indigent people of Pitt County and the surrounding area."

(b) Paragraph H1731 of Section 6 of Chapter 830 of the 1987 Session Laws reads as rewritten:

"H1731 MAURY COMMUNITY CTR. FUNDS

One thousand dollars (\$1,000) to Greene County for the Town of Maury for the Maury's community center for the purchase of equipment."

Requested by: Representative Duncan

-----YOUTH OPPORTUNITY HOMES' YOUTH SHELTER FUNDS

Sec. 9. Paragraph H1442 of Section 6 of Chapter 830 of the 1987 Session Laws reads as rewritten:

"H1442 VIETNAM VETERANS LEADERSHIP PROGRAM YOUTH SHELTER FUNDS

Five thousand dollars (\$5,000) to the North Carolina Vietnam Veterans Leadership Program for operating expenses for the Program's services to Vietnam veterans, including assisting Vietnam veterans in finding jobs and finding business loans, and by providing both job and professional counseling Youth Opportunity Homes, Incorporated, for operating expenses in running an emergency shelter for youth."

Requested by: Representative Gist

-----GUILFORD EDUCATION/COMMUNITY FUNDS

Sec. 10. (a) Paragraph H1368 of Section 6 of Chapter 830 of the 1987 Session Laws reads as rewritten:

"H1368 NORTH STATE LAW OFFICERS FUNDS RELA FUNDS

Eight thousand five hundred dollars (\$8,500) to the North State Law Enforcement Officers Association, Piedmont Chapter in Greensboro, for operating expenses in its public service projects and in enhancing law enforcement. Five thousand dollars (\$5,000) to the Research Education & Literary Association, (RELA) in Guilford County, for operating expenses of its tutorial program which provides educational and vocational programs designed to lower the dropout rates in the Guilford County schools.

Three thousand five hundred dollars (\$3,500) to the Black Child Development Institute of Greensboro, Incorporated in Guilford

County, for operating expenses of its tutorial programs for the disadvantaged youth in the county."

(b) Paragraph H1525 of Section 6 of Chapter 830 of the 1987 Session Laws reads as rewritten:

"H1525 ~~POST DETENTION ADVOCATE FUNDS~~ COMMUNITY ACTION FUNDS

Two thousand five hundred dollars (\$2,500) to the ~~Post Detention Advocate Program in Greensboro for administrative costs of staffing and training volunteers to work with its program for chronic juvenile offenders~~ to the Guilford County Community Action Program, Inc., to promote its public service projects which benefit the entire county."

(c) Paragraph H1369 of Section 6 of Chapter 830 of the 1987 Session Laws reads as rewritten:

"H1369 ~~GREENSBORO NAACP TUTORIAL FUNDS~~ TUTORIAL DAY CARE FUNDS

Five thousand dollars (\$5,000) to ~~The National Association for the Advancement of Colored People, Greensboro Chapter to help support its tutorial programs that benefit all disadvantaged youths throughout the Greensboro area~~ to the Episcopal Church of the Redeemer in Guilford County for operating expenses of its tutorial day care program."

Requested by: Representative Nye

-----HARMONY HALL

Sec. 11. Of funds appropriated in Section 2 of Chapter 830, 1987 Session Laws, for Harmony Hall as set out in the report to the Joint Appropriations Committee on State Aid to Non-State Entities, August 11, 1987, the balance of that allocation may be used for land purchase, development of the complex with additional buildings, and other needs to enhance the restoration. Those funds shall not revert.

Requested by: Representative Hunter

-----YANCEY LOCAL FUNDS CORRECTED

Sec. 12. (a) Paragraph H1563 of Section 6 of Chapter 830 of the 1987 Session Laws reads as rewritten:

"H1563 YANCEY ~~HUMAN RESOURCE CTR. FUND~~ EMS FUNDS

Ten thousand dollars (\$10,000) to Yancey County to ~~defray the costs of constructing a Human Resource Center to benefit the citizens of Yancey County and to facilitate the services provided by the Yancey County Department of Social Services, Mental Health for Yancey County, Toe River Health District, and the Yancey County Health Department.~~ for the Emergency Medical Services to purchase equipment."

(b) Paragraph S1182 of Section 6 of Chapter 830, 1987 Session Laws reads as rewritten:

"S1182 YANCEY HUMAN RESOURCE CENTER FUNDS EMS FUNDS

Ten thousand dollars (\$10,000) to Yancey County to defray the costs of constructing a Human Resource Center to benefit the citizens of Yancey County and to facilitate the services provided by the Yancey County Department of Social Services, Mental Health for Yancey County, Toe River Health District, and the Yancey County Health Department, for Emergency Medical Services to purchase equipment."

Requested by: Representative Hardaway

----LOCAL CORRECTION--ENFIELD FIRE DEPARTMENT FUNDS

Sec. 13. Paragraph H1729 of Section 6 of Chapter 830 of the 1987 Session Laws reads as rewritten:

"H1729 HALIFAX CO. PROJECTS FUNDS

Five thousand dollars (\$5,000) to the Town of Enfield to resurface the basketball court and make other improvements at Oakview Park.

~~One thousand dollars (\$1,000) to the Enfield Fire Department, Incorporated, for equipment.~~

One thousand dollars (\$1,000) Two thousand dollars (\$2,000) to the Enfield Rescue Squad, Incorporated, for operating expenses and equipment.

One thousand five hundred dollars (\$1,500) to Halifax County for operating expenses of the Hospice of Halifax County Program

Two thousand dollars (\$2,000) to Our Community Hospital, Incorporated, in Scotland Neck for operating expenses and equipment.

Two thousand dollars (\$2,000) to the Town of Littleton for the Littleton Civic and Senior Citizens' Club Community Center, to complete the Center's facility, which will enable the Center to serve adequately all the citizens of the community.

One thousand dollars (\$1,000) to Halifax County for the Roanoke Valley Arts Council to assist in the restoration of the area's historical projects.

Two thousand dollars (\$2,000) to the Haliwa-Saponi Tribe, Incorporated, for construction of a library.

One thousand five hundred dollars (\$1,500) to the Center for Adolescence and Adult Development for operating expenses of its public service programs in Halifax County.

One thousand dollars (\$1,000) to the Hobgood Volunteer Fire Department, Incorporated, for equipment.

One thousand dollars (\$1,000) to the Halifax County Department of Social Services for the Halifax County Coalition for Progress for

emergency energy assistance.

Seven hundred fifty dollars (\$750.00) to the Halifax County Law Enforcement Officers Association for a memorial to officers slain in the line of duty.

Seven hundred fifty dollars (\$750.00) to the Concerned Citizens of Tillery for a recreational facility.

Five hundred dollars (\$500.00) to the Town of Enfield for the Happy Hearts Club of Enfield, a senior citizens club, to provide transportation and other services for senior citizens.

One thousand dollars (\$1,000) to the Halifax County Historical Association for operating expenses in its production of the "First in Freedom" drama.

One thousand five hundred dollars (\$1,500) to the Southern Halifax Human Development Council, Incorporated, for a day care center for the benefit of the citizens of southern Halifax County.

One thousand dollars (\$1,000) to the Scotland Neck Volunteer Fire/Rescue for equipment.

Five hundred dollars (\$500.00) to the Lillie Pike Sullivan Municipal Library in Enfield to purchase encyclopedias."

PART III-----MISCELLANEOUS PROVISIONS

Requested by: Representative Watkins

-----WARRANTS FOR CERTAIN APPROPRIATIONS

Sec. 14. Other than those to State agencies, the Office of State Budget and Management shall draw warrants for appropriations made by the 1987 General Assembly, 1988 Session, and send them no later than October 15, 1988, by U.S. Mail to the entity entitled to receive them, at the address supplied by the Fiscal Research Division, unless matching fund requirements or other legal requirements have not been met. In those instances, the warrants shall be sent under the same procedure as soon as the requirements have been met.

Requested by: Representative Watkins

-----SEVERABILITY CLAUSE

Sec. 15. If any section or provision of this act is declared unconstitutional or invalid by the courts, it does not affect the validity of the act as a whole or any part other than the part so declared to be to be unconstitutional or invalid.

Requested by: Representative Watkins

-----EFFECT OF HEADINGS

Sec. 16. The headings to the Parts and sections of this act are a convenience to the reader and are for reference only. The headings do not expand, limit, or define the text of this act.

Requested by: Representative Watkins

-----EFFECTIVE DATE

Sec. 17. Except as otherwise provided, this act is effective upon ratification.

In the General Assembly read three times and ratified this the 8th day of July, 1988.

H.B. 2641

CHAPTER 1086

AN ACT TO APPROPRIATE FUNDS FOR THE 1988-89 FISCAL YEAR.

The General Assembly of North Carolina enacts:

Section 1. The appropriations made in this act are for maximum amounts necessary to provide the services and accomplish the purposes described in the budget. Savings shall be effected where the total amounts appropriated are not required to perform these services and accomplish these purposes and, except as allowed by the Executive Budget Act, or this act, the savings shall revert to the appropriate fund at the end of each fiscal year.

PART I.-----GENERAL FUND/CURRENT OPERATIONS OF STATE GOVERNMENT

Sec. 2. Section 2 of Chapter 738 of the 1987 Session Laws, as amended by Section 2 of Chapter 886 of the 1987 Session Laws, reads as rewritten:

"Sec. 2. Appropriations from the General Fund of the State for the maintenance of the State departments, institutions, and agencies, and for other purposes as enumerated except for aid to certain governmental and nongovernmental units are made for the biennium ending June 30, 1989, according to the following schedule:

<u>Current Operations-General Fund</u>	<u>1987-88</u>	<u>1988-89</u>
General Assembly	\$ 13,775,242	\$ 16,636,353 <u>16,661,353</u>
Judicial Department	151,146,101	157,252,143 <u>163,659,054</u>
Department of the Governor	4,089,063	4,118,251
Lieutenant Governor's Office	712,503	513,122 <u>553,915</u>

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Department of Secretary of State	2,633,872	2,842,066 <u>2,931,712</u>
Department of State Auditor	6,350,979	6,410,906
Department of State Treasurer	3,872,684	3,699,281
Department of Public Education	2,498,598,824	2,640,970,882 <u>2,661,511,426</u>
Department of Justice	41,896,189	41,187,926 <u>41,748,175</u>
Department of Agriculture	33,586,010	33,737,065 <u>35,908,860</u>
Department of Labor	6,626,328	6,726,797
Department of Insurance	11,099,959	11,144,224
Department of Administration	42,463,756	42,947,588 <u>44,650,078</u>
Department of Transportation - Aeronautics	116,571	116,571
Department of Natural Resources and Community Development	59,594,311	58,563,104 <u>59,781,982</u>
Office of Administrative Hearings	1,883,791	1,874,045
Office of State Budget and Management	3,256,136	3,411,979
Department of Human Resources		
01. Alcoholic Rehabilitation Center - Black Mountain	2,934,623	2,986,736 <u>2,987,028</u>

02. Alcoholic Rehabilitation Center - Butner	2,725,581	2,736,746 <u>2,728,839</u>
03. Alcoholic Rehabilitation Center - Greenville	2,369,121	2,394,556 <u>2,410,928</u>
04. N.C. Special Care Center	3,850,572	3,912,649 <u>3,863,101</u>
05. Black Mountain Center	464,080	478,375 <u>581,162</u>
06. DHR - Administration and Support Program	6,788,729	6,806,069 <u>6,812,609</u>
07. Schools for the Deaf and Blind	20,281,056	20,509,415 <u>19,720,945</u>
08. Division of Health Services	48,829,882	47,585,329 <u>47,885,329</u>
09. Social Services	72,957,253	76,156,555 <u>75,903,694</u>
10. Medical Assistance	255,214,369	288,526,093 <u>302,526,434</u>
11. Division of Services for the Blind	5,887,010	5,935,924
12. Division of Mental Health, Mental Retardation and Substance Abuse Services	10,664,886	10,385,624
13. Dorothea Dix Hospital	32,372,589	32,621,340 <u>31,687,753</u>
14. Broughton Hospital	26,435,921	26,716,420 <u>27,097,893</u>

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15. Cherry Hospital	26,897,587	27,193,092 <u>26,054,777</u>
16. John Umstead Hospital	26,498,658	26,924,383 <u>26,341,685</u>
17. Western Carolina Center	2,895,233	3,096,404 <u>2,878,451</u>
18. O'Berry Center	3,587,669	3,749,154 <u>3,657,040</u>
19. Murdoch Center	15,402,682	15,502,346 <u>12,805,173</u>
20. Caswell Center	11,587,364	11,052,401 <u>12,138,301</u>
21. Division of Facility Services	26,001,329	26,145,147 <u>26,170,147</u>
22. Division of Vocational Rehabilitation Services	21,143,144	22,432,116 <u>21,432,116</u>
23. Division of Youth Services	25,287,438	25,594,590
24. State-Aid Non-State Entities	153,319	296,530
Total Department of Human Resources	651,230,095	689,737,994 <u>697,896,073</u>
Department of Correction	262,447,914	276,424,190 <u>287,244,914</u>
Department of Commerce	22,740,249	22,720,734 <u>22,802,734</u>
Department of Revenue	40,094,088	41,616,392 <u>44,126,481</u>

Department of Cultural Resources	18,376,944	18,519,558
Department of Crime Control and Public Safety	18,458,611	17,787,433 <u>22,369,248</u>
University of North Carolina - Board of Governors		
01. General Administration	\$ 15,865,019	\$ 16,676,117
02. University Operations - Lump Sum	27,689,188	27,799,367 <u>35,722,695</u>
03. Related Educational Programs	3,899,821	4,015,524
04. University of North Carolina at Chapel Hill		
a. Academic Affairs	114,340,237	114,630,318
b. Division of Health Affairs	81,799,242	82,247,899 <u>82,616,649</u>
c. Area Health Education Centers	27,282,717	27,289,611
05. North Carolina State University at Raleigh		
a. Academic Affairs	144,955,453	146,903,112 <u>146,953,112</u>
b. Agricultural Research Service	30,762,254	30,775,187 <u>30,815,635</u>
c. Agricultural Extension Service	24,117,393	24,173,687

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06. University of North Carolina at Greensboro	43,454,411	44,262,024
07. University of North Carolina at Charlotte	40,901,044	41,071,501
08. University of North Carolina at Asheville	11,552,575	11,732,050
09. University of North Carolina at Wilmington	24,140,832	24,402,742
10. East Carolina University	99,726,556	100,903,641
11. North Carolina Agricultural and Technical State University	29,221,544	29,333,812
12. Western Carolina University	29,172,895	29,272,027 <u>29,522,027</u>
13. Appalachian State University	41,033,921	41,192,349
14. Pembroke State University	11,272,039	11,407,576
15. Winston-Salem State University	13,415,516	13,668,478
16. Elizabeth City State University	9,714,745	9,784,803
17. Fayetteville State University	13,551,535	13,615,775
18. North Carolina Central University	24,082,211	24,181,242
19. North Carolina School of the Arts	7,471,387	7,609,745
20. North Carolina Science and Math High School	5,584,259	5,759,907

21. North Carolina Memorial Hospital	27,805,159	28,493,798
Total University of North Carolina	902,811,953	911,202,292 <u>919,834,818</u>
Department of Community Colleges	310,371,821	301,241,942 <u>302,383,854</u>
State Board of Elections	1,177,512	419,256
Contingency and Emergency	1,125,000	1,125,000
Office of State Budget - Other Reserves	8,300,000	-
Reserve for Benefits for Part-time Employees	875,000	905,000 <u>376,336</u>
Reserve for Salary Increase	198,600,000	202,000,000 <u>406,376,062</u>
Reserve for Salary Adjustments	500,000	500,000 <u>4,000,000</u>
Reserve for Telephone Systems	500,000	500,000
Reserve for Health Benefit Premium Increase	47,000,000	65,100,000 <u>56,870,454</u>
Reserve for Electronic Data Processing	500,000	500,000
Debt Service	73,929,627	71,636,370
GRAND TOTAL CURRENT OPERATIONS--		
GENERAL FUND	\$5,440,741,133	\$5,654,088,464" <u>\$5,921,889,767"</u>

PART II. CURRENT OPERATIONS/GENERAL FUND/AID TO CERTAIN GOVERNMENTAL AND NONGOVERNMENTAL UNITS

Sec. 3. Section 2 of Chapter 830 of the 1987 Session Laws reads as rewritten:

"Sec. 2. Appropriations from the General Fund of the State to State departments, institutions, and agencies for aid to certain governmental and nongovernmental units as enumerated are made for the biennium ending June 30, 1989, according to the following schedule:

<u>General Fund</u>	<u>1987-88</u>	<u>1988-89</u>
Judicial Department	367,450	389,360 <u>457,860</u>
Office of State Budget - State Aid	19,914,685	9,105,000 <u>14,763,750</u>
Department of State Auditor	5,934,865	5,934,865
Department of Public Education	8,661,797	10,861,797 <u>15,076,797</u>
Department of Justice	50,000	- <u>50,000</u>
Department of Agriculture	230,014	230,014
Department of Insurance	200,000	200,000
Department of Administration	2,184,520	2,059,520 <u>2,427,520</u>
Department of Transportation		
01. Aeronautics	5,045,000	5,045,000 <u>5,545,000</u>
02. Aid to Railroads	100,000	100,000 <u>216,666</u>
Total Department of Transportation	5,145,000	5,145,000 <u>5,761,666</u>

Department of Natural Resources and Community Development	9,678,962	8,043,962 <u>9,793,962</u>
Department of Human Resources		
01. DHR - Administration and Support Program	1,543,563	1,253,563 <u>4,981,563</u>
02. Division of Health Services	26,212,081	25,409,994 <u>26,379,994</u>
03. Social Services	15,007,324	15,007,324
04. Social Services - State Aid to Non-State Agencies	4,714,318	4,778,322 <u>5,585,129</u>
05. Division of Services for the Blind	22,000	12,000
06. Division of Mental Health, Mental Retardation and Substance Abuse Services	132,865,821	136,105,679 <u>143,438,179</u>
07. Division of Facility Services	2,297,795	1,906,802 <u>2,051,802</u>
08. Division of Youth Services	13,626,226	13,626,226
09. State Aid, Local Programs		
(a) Inflationary Increases	1,422,089	2,750,379
(b) Salary Increases	6,115,660	6,115,660 <u>12,141,763</u>
Total Department of Human Resources	203,826,877	206,965,949 <u>225,974,359</u>
Department of Correction	75,000	75,000

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Department of Commerce	10,583,922	3,630,660 <u>4,300,660</u>
Reserve for Biotechnology Center	6,360,200	6,360,200
Reserve for Microelectronics Center of North Carolina	18,453,600	14,155,896
Department of Cultural Resources	16,995,250	17,245,250 <u>17,270,250</u>
Department of Crime Control and Public Safety	761,800	556,000 <u>771,967</u>
University of North Carolina - Board of Governors		
01. Related Educational Programs	33,688,815	35,848,000 <u>35,997,219</u>
02. <u>North Carolina State University- Academic Affairs</u>	-	<u>100,000</u>
02. East Carolina University	105,000	55,000
<u>03.</u>		<u>105,000</u>
03. Appalachian State University	35,000	35,000
<u>04.</u>		
04. Western Carolina University	250,000	250,000
<u>05.</u>		
05. Elizabeth City State University	150,000	150,000
<u>06.</u>		
Total University of North Carolina	34,228,815	36,338,000 <u>36,637,219</u>
Department of Community Colleges	381,650	381,650
GRAND TOTAL GENERAL FUNDS	\$ 344,034,407	\$ 327,678,123" <u>\$ 360,623,635"</u>

PART III. GENERAL FUND/CAPITAL IMPROVEMENTS

Sec. 4. Section 4 of Chapter 795 of the 1987 Session Laws reads as rewritten:

"Sec. 4. Appropriations are made from the General Fund for use by the State departments, institutions, and agencies to provide for capital improvements according to the following schedule:

Capital Improvements	<u>1987-88</u>	<u>1988-89</u>
Department of Administration		
(Total) \$ 14,300,000	<u>\$ 25,000,000</u>	<u>\$ 34,800,000</u>
.01 Construction of Underground Parking and Thermal Storage Facility	3,600,000	-
.02 New Museum of History-Supplement	8,000,000	-
.03 Construction of a new Education Building	-	<u>25,000,000</u> <u>32,000,000</u>
.04 Bath Building Renovation for Additional Health Laboratory Space	2,600,000	-
.05 Office of Administrative Hearings-Roof Repairs and Removal of Handicap Barriers	100,000	-
<u>.06 Revenue Building - Final Drawings for construction of new six-floor facility</u>		<u>500,000</u>
<u>.07 Underground Parking - North end of Bicentennial Mall (H 2427 - \$2.5 million bond authorization</u>		<u>-</u>
<u>.08 Infrastructure Needs for Blue Ridge Road Complex - Extension to new Toxic Metal and Organic Analytical Lab</u>		<u>300,000</u>

<u>.09</u>	<u>State Capitol Grounds Improvements</u> <u>(\$500,000 from repairs and</u> <u>renovations reserve in Office of</u> <u>State Budget</u>		-
<u>.10</u>	<u>Low Level Radioactive Waste</u> <u>Management Site Development</u>		<u>2,000,000</u>
Department of Cultural Resources (Total)		475,000	<u>575,000</u> <u>1,199,100</u>
.01	Ziegler House in Edenton- Renovations and Equipment	25,000	-
.02	New History Museum-Equip the Sports Hall of Fame Exhibit	-	250,000
.03	Museum of the Cape Fear in Fayetteville-Renovations	125,000	-
.04	Thomas Wolfe Memorial - Construction of a New Visitors Center	325,000	325,000
<u>.05</u>	<u>Tryon Palace - Renovate</u> <u>Disosway House</u>		<u>100,000</u>
<u>.06</u>	<u>Art Museum - Completion of</u> <u>Landscape Project</u>		<u>474,100</u>
<u>.07</u>	<u>Charlotte Hawkins Brown Historic</u> <u>Site - Renovations</u>		<u>50,000</u>
Department of Agriculture (Total)		4,126,180	<u>1,600,700</u> <u>8,150,500</u>
.01	Western Farmers' Market- a. Addition to the Fruit and Vegetable Building	280,000	-
	b. Construction of a Small Truck Shed	50,000	-
.02	Western N.C. Agriculture Center-Paving	225,000	-

.03	Watercraft Museum-Construction of a New Facility	259,000	- <u>290,700</u>
.04	Raleigh Farmers' Market Completion of New Facility	-	1,500,000
.05	Triad Farmers' Market- Purchase of Land	3,000,000	-
.06	Oxford Tobacco Research Station- Construction of a Farm Storage/ Maintenance Building and a Supervisor's Dwelling	157,400	100,700
.07	Mountain Research Station at Waynesville-Construction of a Multi-Purpose Education Building	154,780	-
<u>.08</u>	<u>Office and Conference Center, Tidewater Research Center - Construction support for designed facility</u>		<u>3,830,000</u>
<u>.09</u>	<u>State Fairgrounds - curbs, gutters, other improvements</u>		<u>1,013,100</u>
<u>.10</u>	<u>Butner Warehouse - Freezer Addition</u>		<u>841,000</u>
<u>.11</u>	<u>Agronomic Lab - Planning for new facility</u>		<u>225,000</u>
<u>.12</u>	<u>Western N.C. Agriculture Center - Land Purchase</u>		<u>350,000</u>
	Department of Commerce (Total)	19,900,000	16,000,000
.01	State Ports-Expansion, Modernization and Development and Purchase of Radio Island	19,900,000	16,000,000

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Department of Natural Resources and Community Development (Total)	9,234,000	8,450,000 <u>13,513,000</u>
.01 N.C. Zoological Park-Continued Development of the North American Phase	6,000,000	- <u>3,500,000</u>
.02 Toxic Metal and Organic Analytical Laboratory-Planning and New Construction	600,000	7,800,000
.03 Reserve for Civil Works Projects	1,409,000	- <u>503,000</u>
.04 Jordan State Forest Development	400,000	-
.05 Bladen Lake State Park-Restroom Facilities	25,000	-
.06 Marine Fisheries-Complete Construction of Building in Morehead City	150,000	-
.07 Wildlife Resources-Acquisition of the Timber Deed on Conine Island Tract, Bertie County	650,000	650,000
<u>.08 Stallings Air Field - Repairs to Aprons of Airfield (\$312,000 from Highway Funds)</u>		-
<u>.09 Dredging of North Channel - Dare County</u>		<u>500,000</u>
<u>.10 Eno River State Park - Land Purchase</u>		<u>250,000</u>
<u>.11 New River State Park - Construct meeting shelter</u>		<u>60,000</u>
<u>.12 Lake James State Park - Development</u>		<u>250,000</u>

Department of Crime Control and Public Safety	202,967	- <u>65,000</u>
.01 Armory Construction 60-person Armory, Marion		
Total Requirements	\$1,059,186	
Less Federal Receipts	775,640	
Less Local Receipts	141,773	
Appropriation	141,773	-
.02 Supplemental Funds for Armories in Wadesboro and Taylorsville	61,194	-
<u>.03 National Guard Military Center</u> <u>Addition - planning, Raleigh</u>		<u>65,000</u>
Department of Correction (Total)	6,765,000	- <u>1,458,000</u>
.01 Reserve for Prison Recreation Facilities and for Repairs and Renovations	5,000,000	-
.02 Cumberland County-Reserve for Work Release Facility	1,230,000	-
.03 Washington County Prison Unit at Creswell-Drainage System	85,000	-
.04 Western Correctional Center- Construction of a Chapel	450,000	- <u>65,000</u>
<u>.05 Wastewater Treatment Facility</u> <u>Upgrading, Caledonia</u>		<u>1,300,000</u>
<u>.06 Complete chapel at Harnett</u> <u>Youth Center</u>		<u>93,000</u>
Department of Justice (Total)	1,961,800	- <u>8,626,923</u>

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.01 Justice Academy Dormitory Building	1,961,800	-
		<u>396,223</u>
<u>.02 SBI Facility, Garner Road - Design Completion, Site Development, and Construction Funds</u>		<u>8,230,700</u>
Department of Human Resources (Total)	4,510,563	<u>5,436,300</u> <u>6,388,300</u>
.01 Cherry Hospital-		
a. Renovate Water Plant	266,500	-
b. Renovate Waste Water Treatment Plant	730,700	-
.02 Broughton Hospital- Air Condition Patient Living Area	169,000	3,286,000
.03 Jackson Training School- Construction of two new dorms	150,000	2,150,300
.04 Dobbs School- Construction of a Multi-Purpose Building	195,000	-
.05 Eastern School for the Deaf in Wilson -		
a. Renovate three dormitories	511,000	-
b. Air Condition Eagle Hall	89,000	-
.06 Black Mountain Center -		
a. Renovate Moore Hall Second Floor Wing	100,000	-
b. Correct ICF/MR Deficiencies and remove asbestos	1,380,924	-
<u>c. Other ongoing renovations</u>	<u>-</u>	<u>852,000</u>

.07	Juvenile Evaluation Center -		
a.	Replace window screens	88,439	-
b.	Construction of a new Vocational Building	680,000	-
c.	Paving and Road improvements	150,000	-
d.	<u>Air conditioning</u>	<u>-</u>	<u>100,000</u>
Department of Community Colleges (Total)		25,888,125	<u>19,461,266</u> <u>29,346,726</u>
University of North Carolina Board of Governors (Total)		63,018,200	<u>52,684,400</u> <u>93,298,900</u>
.01	Appalachian State University - Classroom Building for College of Business	5,500,000	4,188,000
.02	East Carolina University -		
a.	Sports Medicine Physical Education Facility	2,200,000	2,225,500
b.	Renovations/Additions to the Brody Building	2,100,000	2,100,000
c.	<u>Land Acquisition</u>	<u>-</u>	<u>500,000</u>
.03	Fayetteville State University - New School of Business Administration Building	3,000,000	3,350,000
.04	North Carolina A & T University - New Library Building	7,000,000	7,823,000
.05	North Carolina Central University - Renovation of Major Facilities	2,000,000	2,485,000
.06	North Carolina State University -		
a.	Forest Resources - Expansion of Robertson Pulp and Paper Lab	4,402,000	

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	b. Textile School Facilities Equipment	3,000,000	3,000,000
	<u>c. Addition/Remodel</u> Scott Hall	-	<u>8,863,500</u>
	<u>d. Planning Funds -</u> <u>Centennial Campus</u> <u>Site Development</u>	-	<u>1,710,000</u>
.07	Pembroke State University - Addition to Oxendine Science Building	1,200,000	1,253,600
.08	University of North Carolina at Asheville -		
	a. Graduate Center and Classroom Building	5,558,500	-
	b. Western North Carolina Arboretum	-	<u>1,449,500</u> <u>3,499,500</u>
	<u>c. Design and site work for</u> <u>Conference Center</u>	-	<u>2,377,000</u>
	<u>d. Complete Design for Physical</u> <u>Education Building</u>	-	<u>300,000</u>
	<u>e. Kellog Center</u>	-	<u>100,000</u>
.09	University of North Carolina at Chapel Hill -		
	a. Biology/Biotechnology Building	5,000,000	5,994,500
	b. Alcohol Studies Center	2,000,000	2,255,700
	c. Family Physicians Center	3,600,000	3,665,000
	d. Construction of a Community Learning and Living Center for Autistic Adults (TEACCH)	638,000	-
	<u>e. Complete Design for School</u> <u>of Social Work</u>	-	<u>250,000</u>
.10	University of North Carolina at Charlotte		
	a. Office/Classroom Building for College of Architecture	3,600,000	3,657,000
	b. College of Engineering, Applied Research Lab Facility	-	<u>6,500,000</u> <u>7,750,000</u>

.11	University of North Carolina at Greensboro - Land Acquisition 3,000,000	-	<u>1,500,000</u>
.12	Western Carolina University -		
a.	Warehouse and Storage Building 1,829,700	-	
b.	Renovate Stillwell Building 3,520,000	-	
c.	Renovate McKee Building and Hoey Auditorium -	2,737,600	
d.	<u>Land Acquisition</u> -	-	<u>425,000</u>
.13	<u>School of the Arts - Renovate Gray High School</u>	-	<u>5,989,000</u>
.13			
.14	University Advance Planning Funds 3,280,000	-	
.15	<u>University Repairs/ Renovation Reserve</u>	-	<u>15,000,000</u>
.14			
.16	Agricultural Programs -		
a.	Mountain Horticulture Crops Research Station and Extension Center at Fletcher - Landscaping and Renovations 140,000	-	
b.	North Carolina State University - Complete construction of stalls at Equine Teaching Facility 200,000	-	
c.	North Carolina State University - completion of Swine Research Facility 250,000	-	
d.	<u>Mitchell 4-H Camp - Repairs and Renovations</u> -		<u>272,500</u>
e.	<u>Swannanoa 4-H Camp - Land Purchase and Development</u> -		<u>27,500</u>

Office of State Budget and Management
 (Total) 7,363,200
7,038,200 29,631,691

.01 Reserve for Repairs and Renovations	<u>7,038,200</u>	<u>-</u>
		<u>2,184,300</u>
<u>.02 Construction of new dorms (600 beds) for Department of Correction</u>		<u>17,447,391</u>
<u>.03 Sewer and Water Grants</u>		<u>10,000,000</u>
GRAND TOTAL - GENERAL FUNDS	\$157,420,035	\$129,207,626 <u>\$242,478,140</u>

PART IV. FEDERAL BLOCK GRANT/APPROPRIATIONS

Requested by: Senator Walker, Representative Nye, Senator Basnight, Representative Colton, Representative Bruce Ethridge
 -----APPROPRIATION OF BLOCK GRANT FUNDS

Sec. 5. Section 4 of Chapter 738 of the 1987 Session Laws reads as rewritten:

"Sec. 4. (a) Appropriations from federal block grant funds are made for the fiscal year ending ~~June 30, 1988~~, June 30, 1989, according to the following schedule:

JOB TRAINING PARTNERSHIP ACT

01. Title II A funds to the 26 service delivery areas to train economically disadvantaged youth and adults		\$25,127,445 <u>\$24,221,167</u>
02. Education set aside to State education agencies for projects to serve eligible participants		<u>2,577,174</u> <u>2,484,222</u>
03. Incentive grants and technical assistance funds to service delivery areas		1,932,880 <u>1,863,167</u>
04. Funds for training economically disadvantaged older workers		<u>966,440</u> <u>931,583</u>

05.	Funds to the Department of Natural Resources and Community Development to administer and audit all activities related to the Job Training Partnership Act Programs	1,610,735 <u>1,552,639</u>
06.	Title II B Summer Youth Employment and Training funds to service delivery areas for economically disadvantaged youth	10,968,303 <u>12,653,616</u>
07.	Title III Dislocated workers funds to the Employment Security Commission	1,928,243 <u>2,824,875</u>
	TOTAL JOB TRAINING PARTNERSHIP ACT	\$45,111,220 <u>\$46,531,269</u>

COMMUNITY SERVICES BLOCK GRANT

01.	Community Action Agencies	\$ 7,831,265 <u>\$ 7,541,520</u>
02.	Limited Purpose Agencies	435,070 <u>420,000</u>
03.	Commission on Indian Affairs	19,710 <u>18,480</u>
04.	Department of Natural Resources and Community Development to administer and monitor the activities of the Community Services Block Grant	435,070 <u>420,000</u>
	TOTAL COMMUNITY SERVICES BLOCK GRANT	\$ 8,721,115 <u>\$ 8,400,000</u>

COMMUNITY DEVELOPMENT BLOCK GRANT

01. State Administration	\$ 850,660
	<u>\$ 827,500</u>
02. Urgent Needs/Contingency	1,834,117
	<u>1,777,375</u>
03. Development Planning Housing	550,235
	<u>1,066,425</u>
04. Economic Development	7,336,468
	<u>7,109,500</u>
05. Community Revitalization	26,961,520
	<u>25,594,200</u>
TOTAL COMMUNITY DEVELOPMENT BLOCK GRANT	\$37,553,000
	<u>\$36,375,000</u>

EDUCATION CONSOLIDATION AND IMPROVEMENT
BLOCK GRANT

~~\$12,374,979~~
\$12,000,346

PREVENTIVE HEALTH BLOCK GRANT

01. Emergency medical services	\$ 407,324
	<u>\$ 365,885</u>
02. Health Department	933,000
	<u>902,440</u>
03. Hypertension Programs	549,587
	<u>559,540</u>
04. <u>Health Education</u> /Risk Reduction Programs	481,003
	<u>489,165</u>
05. Health Promotion/Local Health Departments	459,461
	<u>459,461</u>
06. Fluoridation of Water Supplies	159,838
	<u>149,911</u>

07. Rape Prevention and Rape Crisis Programs	89,369
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TOTAL PREVENTIVE HEALTH BLOCK GRANT	\$ 3,079,582
	<u>\$ 3,015,771</u>

MATERNAL AND CHILD HEALTH SERVICES

01. Local Maternal and Child Health and Family Planning Services	\$ 9,591,119
	<u>\$10,597,352</u>

02. High Risk Maternity Clinic Services, Perinatal Education and Child Vaccination Services	1,289,835
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03. Services to Disabled Children	4,059,998
	<u>4,102,258</u>

04. Sudden Infant Death Syndrome	33,000
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05. Lead-Based Paint Poisoning	72,000
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<u>06. New Special Projects</u>	<u>453,138</u>
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TOTAL MATERNAL AND CHILD HEALTH SERVICES	\$15,045,952
	<u>\$16,547,583</u>

SOCIAL SERVICES BLOCK GRANT

01. County Departments of Social Services	\$41,559,668
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02. Division of Mental Health, Mental Retardation, and Substance Abuse	5,770,693
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03. Division of Services for the Blind	2,691,673
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04. Division of Health Services	1,488,019
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05. Division of Youth Services	1,051,428
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06. Division of Facility Services	224,299
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07. Division of Aging	327,424
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08.	Day Care Services	<u>11,805,887</u>
		12,517,760
09.	Volunteer Services	<u>44,970</u>
10.	State Administration and State Level Contracts	<u>2,963,183</u>
		3,085,110
11.	Voluntary Sterilization funds	<u>100,000</u>
12.	Transfer to Maternal and Child Health Block Grant	<u>1,000,000</u>
		540,539
13.	Allocation to Salary Reserve for all Divisions	250,000
<u>13.</u>	<u>Allocation to Division of Social Services for Child Medical Evaluation Program</u>	<u>100,000</u>
14.	Adult Day Care Services	<u>161,629</u>
		653,910
15.	County Departments of Social Services for Child Abuse/Prevention and Permanency Planning	400,000
16.	Allocation to Division of Health Services for Grants in Aid to Prevention Programs	445,000
<u>17.</u>	<u>Transfer to Preventive Health Block Grant for Health Promotion Programs</u>	<u>459,461</u>
	TOTAL SOCIAL SERVICES BLOCK GRANT	<u>\$70,283,873</u>
		<u>\$71,459,954</u>
	<u>LOW INCOME ENERGY BLOCK GRANT</u>	
01.	Energy Assistance Programs	<u>\$23,702,453</u>
		\$21,199,157
02.	Crisis Intervention	<u>5,436,079</u>
		<u>5,017,530</u>

03.	Administration	<u>2,630,360</u> <u>2,223,722</u>
04.	Weatherization Program	<u>2,894,834</u> <u>2,000,000</u>
05.	Indian Affairs	<u>37,070</u> <u>31,341</u>
06.	Transfer to Maternal and Child Health Block Grant for Family Planning	<u>1,753,554</u> <u>741,230</u>
07.	Emergency Medical Services	<u>175,357</u> <u>147,478</u>
08.	Transfer to Social Services Block Grant for Adult Day Care Services	<u>558,512</u> <u>472,162</u>
<u>09.</u>	<u>Transfer to Social Services Block Grant for State Administration & Contract Services</u>	<u>221,927</u>
<u>10.</u>	<u>Transfer to Social Services Block Grant for Maternal and Child Health Block Grant in the Division of Health</u>	<u>269,802</u>
<u>11.</u>	<u>Allocation to the Council on the Status of Women for the 13th Prosecutorial District for Rape/Sexual Abuse Victim Services</u>	<u>25,000</u>
<u>12.</u>	<u>Allocation to the Department of Administration for the North Carolina Fund for Children</u>	<u>50,000</u>
	TOTAL LOW INCOME ENERGY BLOCK GRANT	<u>\$37,188,219</u> <u>\$32,399,349</u>

ALCOHOL AND DRUG ABUSE AND MENTAL HEALTH
SERVICES BLOCK GRANT

01.	Continuation of Staffing Grants to Area Mental Health Programs	\$ 420,000 <u>\$ 140,000</u>
02.	Funds to Area Mental Health, Mental Retardation, and Substance Abuse Programs to Be Distributed on a Per Capita Basis	2,051,556
03.	Services to Persons Who Have Aged Out of the Willie M. Class	1,001,502 <u>500,000</u>
04.	Crisis Stabilization for the Mentally Ill	119,847
05.	Group Homes, Early Intervention, and Day Treatment Programs for Emotionally Disturbed Children	298,000
06.	Programs for the Chronically Mentally Ill	2,790,738 <u>3,037,580</u>
07.	Funds to Substance Abuse Programs	3,468,485 <u>3,379,884</u>
08.	Alcohol Services Funds for Female Substance Abusers	591,163 <u>557,563</u>
09.	Administration	597,028 <u>621,200</u>
10.	Community-based Child and Family Residential Treatment	130,118 <u>203,418</u>

11.	Training Related to the Provision of Mental Health Services	46,000 <u>6,000</u>
12.	Training Related to the Provision of Substance Abuse Services	67,200 <u>56,000</u>
13.	Child and Adolescent Sex Offenders Pilot Projects	89,836 <u>119,781</u>
14.	<u>Eastern Region Detox Services</u>	<u>284,530</u>

TOTAL ALCOHOL AND DRUG ABUSE AND
MENTAL HEALTH SERVICES
BLOCK GRANT

~~\$11,671,473~~
\$11,375,359

ALCOHOL AND DRUG ABUSE TREATMENT AND
REHABILITATION BLOCK GRANT

01.	Community-based Services for Youth Substance Abusers	\$ 2,697,140 <u>\$ 2,930,864</u>
02.	Treatment Alternatives to Street Crimes	319,608 <u>347,104</u>
03.	<u>Eastern Region Detox Services</u>	<u>68,580</u>

TOTAL ALCOHOL AND DRUG ABUSE
TREATMENT AND REHABILITATION
BLOCK GRANT

3,016,748
3,346,548

MENTAL HEALTH SERVICES FOR THE HOMELESS
BLOCK GRANT

01.	<u>Specialized Community Services for the Chronically Mentally Ill</u>	<u>220,000</u>
02.	<u>Community-based Services for Chronically Mentally Ill Youth</u>	<u>70,000</u>

TOTAL MENTAL HEALTH SERVICES FOR THE
HOMELESS BLOCK GRANT

290,000

(b) Decreases in Federal Fund Availability

If federal funds are reduced below the amounts specified above after the effective date of this act, then every program, in each of the federal block grants listed above, shall be reduced by the same percentage as the reduction in federal funds. If federal funds are reduced in the Education Consolidation and Improvement Act Chapter II Block Grant, then the State Board of Education shall determine how reductions are to be made among the various local agencies.

(c) Increases in Federal Fund Availability

If the United States Congress appropriates additional funds for block grants after the effective date of this act, these funds shall be held in a reserve in each block grant for future allocations by the General Assembly. This subsection shall not apply to the Community Development Block Grant, the Community Services Block Grant, and to Job Training Partnership Act funds.

(d) Education Setaside of JTPA Funds

The Department of Natural Resources and Community Development shall certify to the Joint Legislative Commission on Governmental Operations and to the Fiscal Research Division of the Legislative Services Office when Job Training Partnership Act funds have been distributed to each agency, the total amount distributed to each agency, and the total amount of eight percent (8%) Education Setaside funds received."

PART V-----SALARIES, RETIREMENT, AND EMPLOYEE BENEFITS

Requested by: Representative Watkins

-----GOVERNOR'S SALARY INCREASE

Sec. 6. Effective July 1, 1988, G.S. 147-11 reads as rewritten:

" § 147-11. *Salary and expense allowance of Governor; allowance to person designated to represent Governor's office.* (a) The salary of the Governor shall be ~~one hundred five thousand dollars (\$105,000)~~ one hundred nine thousand, seven hundred twenty-eight dollars (\$109,728) annually, payable monthly.

(b) He shall be paid annually the sum of eleven thousand five hundred dollars (\$11,500) as an expense allowance in attending to the business for the State and for expenses out of the State and in the State in representing the interest of the State and people, incident to the duties of his office, the said allowance to be paid monthly.

(c) In addition to the foregoing allowance, the actual expenses of the Governor while traveling outside the State on business incident to his office shall be paid by a warrant drawn on the State Treasurer. Whenever a person who is not a State official or employee is designated by the Governor to represent the Governor's office, such person shall be paid actual travel expenses incurred in the performance of such duty; provided that the payment of such travel expense shall conform to the provisions of the biennial appropriation act in effect at the time the payment is made."

Requested by: Representative Watkins

-----COUNCIL OF STATE/SALARY INCREASE

Sec. 7. Section 12 of Chapter 738, Session Laws of 1987 reads as "Sec. 12. The annual salaries for members of the Council of State, payable monthly, for the ~~1987-89 fiscal biennium~~ 1988-89 fiscal year are:

<u>Council of State</u>	<u>Annual Salary</u>
Lieutenant Governor	\$64,092 <u>66,972</u>
Attorney General	64,092 <u>66,972</u>
Secretary of State	64,092 <u>66,972</u>
State Treasurer	64,092 <u>66,972</u>
State Auditor	64,092 <u>66,972</u>
Superintendent of Public Instruction	64,092 <u>66,972</u>
Agriculture Commissioner	64,092 <u>66,972</u>
Insurance Commissioner	64,092 <u>66,972</u>
Labor Commissioner	64,092 <u>66,972</u> ."

Requested by: Representative Watkins

-----NONELECTED DEPARTMENT HEAD/SALARY INCREASES

Sec. 8. Section 13 of Chapter 738, Session Laws of 1987 reads as rewritten:

"Sec. 13. In accordance with G.S. 143B-9, the maximum annual salaries, payable monthly, for the nonelected heads of the principal State departments for the ~~1987-88 and 1988-89 fiscal years~~ year are:

<u>Nonelected Department Heads</u>	<u>Annual Salary</u>
Secretary of Administration	\$64,092 <u>66,972</u>
Secretary of Commerce	64,092 <u>66,972</u>
Secretary of Correction	64,092 <u>66,972</u>
Secretary of Crime Control and Public Safety	64,092 <u>66,972</u>
Secretary of Cultural Resources	64,092 <u>66,972</u>

Secretary of Human Resources	64,092 <u>66,972</u>
Secretary of Natural Resources and Community Development	64,092 <u>66,972</u>
Secretary of Revenue	64,092 <u>66,972</u>
Secretary of Transportation	64,092 <u>66,972.</u> "

Requested by: Representative Watkins

-----LEGISLATORS/SALARY AND EXPENSE INCREASES

Sec. 9. Effective upon convening of the 1989 Regular Session of the General Assembly, G.S. 120-3 as amended by Section 15 of Chapter 738, Session Laws of 1987 and Section 70 of Chapter 830, Session Laws of 1987 reads as rewritten:

"§ 120-3. *Pay of members and officers of the General Assembly.* (a) The Speaker of the House shall be paid an annual salary of ~~twenty-nine thousand eight hundred eighty dollars (\$29,880)~~ thirty-one thousand two hundred twenty-four dollars (\$31,224), payable monthly, and an expense allowance of ~~nine hundred seventy-five dollars (\$975.00)~~ one thousand one hundred seventy-five dollars (\$1,175) per month. The President Pro Tempore of the Senate shall be paid an annual salary of ~~eighteen thousand two hundred seventy-six dollars (\$18,276)~~ nineteen thousand one hundred four dollars (\$19,104), payable monthly, and an expense allowance of ~~six hundred thirty-three dollars (\$633.00)~~ eight hundred thirty-three dollars (\$833.00) per month. The Speaker Pro Tempore of the House shall be paid an annual salary of ~~sixteen thousand eight hundred thirty-six dollars (\$16,836)~~ seventeen thousand five hundred ninety-two dollars (\$17,592), payable monthly, and an expense allowance of ~~four hundred ninety-four dollars (\$494.00)~~ six hundred ninety-four dollars (\$694.00) per month; and the Deputy President Pro Tempore of the Senate shall be paid an annual salary of ~~fifteen thousand three hundred eighty-four dollars (\$15,384)~~ sixteen thousand eighty dollars (\$16,080), payable monthly, and an expense allowance of ~~three hundred fifty-four dollars (\$354.00)~~ five hundred fifty-four dollars (\$554.00) per month. The minority leader in the House and the majority and minority leaders in the Senate shall be paid an annual salary of ~~thirteen thousand eighty dollars (\$13,080)~~ thirteen thousand six hundred eighty-eight dollars (\$13,688), payable monthly, and an expense allowance of ~~three hundred fifty-four dollars (\$354.00)~~ five hundred fifty-four dollars (\$554.00) per month.

(b) Every other member of the General Assembly shall receive increases in annual salary ~~and expense allowances~~ only to the extent of and in the amounts equal to the average increases received by employees of the State, effective upon convening of the next Regular Session of the General Assembly after enactment of these increased

amounts. Accordingly, upon convening of the 1989 Regular Session of the General Assembly, every other member of the General Assembly shall be paid an annual salary of ~~ten thousand six hundred forty-four dollars (\$10,644)~~ eleven thousand one hundred twenty-four dollars (\$11,124), payable monthly, and an expense allowance of ~~two hundred sixty-five dollars (\$265.00)~~ four hundred sixty-five dollars (\$465.00) per month.

(c) The salary and expense allowances provided in this section are in addition to any per diem compensation and any subsistence and travel allowance authorized by any other law with respect to any regular or extra session of the General Assembly, and service on any State board, agency, commission, standing committee and study commission."

Requested by: Representative Watkins

-----GENERAL ASSEMBLY PRINCIPAL CLERKS/SALARY INCREASES

Sec. 10. G.S. 120-37(c) reads as rewritten:

"(c) The principal clerks shall be full-time officers. Each principal clerk shall be entitled to other benefits available to State employees and shall be paid an annual salary of ~~thirty-nine thousand three hundred twelve dollars (\$39,312)~~ forty-one thousand seventy-six dollars (\$41,076), payable monthly. The Legislative Services Commission shall review the salary of the principal clerks prior to submission of the proposed operating budget of the General Assembly to the Governor and Advisory Budget Commission and shall make appropriate recommendations for changes in those salaries. Any changes enacted by the General Assembly shall be by amendment to this paragraph."

Requested by: Representative Watkins

-----SERGEANT-AT-ARMS AND READING CLERKS/SALARY INCREASES

Sec. 11. G.S. 120-37(b) reads as rewritten:

"(b) The sergeant-at-arms and the reading clerk in each house shall be paid a salary of ~~one hundred seventy-seven dollars (\$177.00)~~ one hundred eighty-five dollars (\$185.00) per week, plus subsistence at the same daily rate provided for members of the General Assembly, plus mileage at the rate provided for members of the General Assembly for one round trip only from their homes to Raleigh and return. The sergeants-at-arms shall serve during sessions of the General Assembly and at such time prior to the convening of, and subsequent to adjournment or recess of, sessions as may be authorized by the Legislative Services Commission. The reading clerks shall serve during sessions only."

Requested by: Representative Watkins

-----LEGISLATIVE EMPLOYEES/SALARY INCREASES

Sec. 12. The Legislative Administrative Officer may increase the salaries of nonelected employees of the General Assembly in effect for fiscal year 1987-88 by an amount equal to the same amount as authorized in Section 19 of this act for most other State employees, rounded to conform to the steps in the salary ranges adopted by the Legislative Services Commission, commencing July 1, 1988. The granting of this legislative salary increase does not affect the status of employees' eligibility for other salary increments. Nothing in this Part limits any of the provisions of G.S. 120-32.

Requested by: Representative Watkins

-----JUDICIAL BRANCH OFFICIALS/SALARY INCREASE

Sec. 13. (a) Section 19 of Chapter 738, Session Laws of 1987 reads as rewritten:

"Sec. 19. The annual salaries, payable monthly, for specified judicial branch officials for the ~~1987-88~~ and 1988-89 fiscal ~~years~~ year are:

<u>Judicial Branch Officials</u>	<u>Annual Salary</u>
Chief Justice, Supreme Court	\$77,844 <u>81,348</u>
Associate Justice, Supreme Court	76,236 <u>79,668</u>
Chief Judge, Court of Appeals	73,800 <u>77,124</u>
Judge, Court of Appeals	72,180 <u>75,432</u>
Judge, Senior Regular Resident Superior Court	66,204 <u>69,180</u>
Judge, Superior Court	64,092 <u>66,972</u>
Chief Judge, District Court	56,532 <u>59,076</u>
Judge, District Court	54,372 <u>56,820</u>
District Attorney	59,628 <u>62,316</u>
Assistant District Attorney - an average of	38,568 <u>40,308</u>
Administrative Officer of the Courts	66,204 <u>69,180</u>
Assistant Administrative Officer of the Courts	53,964 <u>56,388</u>
Public Defender	59,628 <u>62,316</u>
Assistant Public Defender - an average of	38,568 <u>40,308</u>

If an acting senior regular resident superior court judge is appointed under the provisions of G.S. 7A-41, he shall receive the salary for Judge, Senior Regular Resident, Superior Court, until his temporary appointment is vacated, and the judge he replaces shall receive the salary indicated for Judge, Superior Court.

The district attorney or public defender of a judicial district, with the approval of the Administrative Officer of the Courts, shall set the salaries of assistant district attorneys or assistant public defenders, respectively, in that district such that the average salaries of assistant district attorneys or assistant public defenders in that district do not exceed ~~thirty-eight thousand five hundred sixty-eight dollars (\$38,568)~~ forty thousand three hundred eight dollars (\$40,308) and the minimum salary of any assistant district attorney or assistant public defender is at least ~~nineteen thousand four hundred seventy-six dollars (\$19,476)~~ twenty thousand three hundred fifty-two dollars (\$20,352).

~~The salaries in effect for fiscal year 1986-87 for permanent employees of the Judicial Department, except for those whose salaries are itemized in this act, shall be increased by an amount, commencing July 1, 1987, equal to the same amount as authorized in Section 30 of this act for most other State employees, rounded to conform to the steps in the salary ranges adopted by the Judicial Department."~~

(b) The salaries in effect for fiscal year 1987-88 for permanent employees of the Judicial Department, except for those whose salaries are itemized in this act, shall be increased by an amount, commencing July 1, 1988, equal to the same amount as authorized in Section 19 of this act for most other State employees, rounded to conform to the steps in the salary ranges adopted by the Judicial Department.

Requested by: Representative Watkins
 ----CLERKS OF COURT/SALARY INCREASE

Sec. 14. G.S. 7A-101 reads as rewritten:

" § 7A-101. Compensation. (a) The clerk of superior court is a full-time employee of the State and shall receive an annual salary, payable in equal monthly installments, based on the population of the county, as determined by the population projections of the Office of State Budget and Management for the year preceding the first year of each biennial budget, according to the following schedule:

Population	Annual Salary
Less than 50,000	\$34,728 36,288
50,000 to 99,999	39,948 41,748
100,000 to 199,999	45,156 47,184
200,000 and above	51,516 53,832

When a county changes from one population group to another, the salary of the clerk shall be changed to the salary appropriate for the new population group on July 1 of the first year of each biennial

budget, except that the salary of an incumbent clerk shall not be decreased by any change in population group during his continuance in office.

(b) The clerk shall receive no fees or commission by virtue of his office. The salary set forth in this section is the clerk's sole official compensation, but if, on June 30, 1975, the salary of a particular clerk, by reason of previous but no longer authorized merit increments, is higher than that set forth in the table, that higher salary shall not be reduced during his continuance in office.

(c) In lieu of merit and other increment raises paid to regular State employees, a clerk of superior court shall receive as longevity pay an amount equal to four and eight-tenths percent (4.8%) of the annual salary set forth in the Budget Appropriation Act payable monthly after five years of service, nine and six-tenths percent (9.6%) after 10 years of service, fourteen and four-tenths percent (14.4%) after 15 years of service, and nineteen and two-tenths percent (19.2%) after 20 years of service. Service shall mean service in the elective position of clerk of superior court and shall not include service as an assistant, deputy, or acting clerk. Service shall also mean service as a justice or judge of the General Court of Justice or as a district attorney."

Requested by: Representative Watkins

-----ASSISTANT AND DEPUTY CLERKS OF COURT/SALARY INCREASE

Sec. 15. G.S. 7A-102(c) reads as rewritten:

"(c) Notwithstanding the provisions of subsection (a), the Administrative Officer of the Courts shall establish an incremental salary plan for assistant clerks and for deputy clerks based on a series of salary steps corresponding to the steps contained in the Salary Plan for State Employees adopted by the Office of State Personnel, subject to a minimum and a maximum annual salary as set forth below. On and after July 1, 1985, each assistant clerk and each deputy clerk shall be eligible for an annual step increase in his salary plan based on satisfactory job performance as determined by each clerk. Notwithstanding the foregoing, if an assistant or deputy clerk's years of service in the office of superior court clerk would warrant an annual salary greater than the salary first established under this section, that assistant or deputy clerk shall be eligible on and after July 1, 1984, for an annual step increase in his salary plan. Furthermore, on and after July 1, 1985, that assistant or deputy clerk shall be eligible for an increase of two steps in his salary plan, and shall remain eligible for a two-step increase each year as recommended by each clerk until that assistant or deputy clerk's

annual salary corresponds to his number of years of service. A full-time assistant clerk or a full-time deputy clerk shall be paid an annual salary subject to the following minimum and maximum rates:

<u>Assistant Clerks</u>	<u>Annual Salary</u>
Minimum	\$17,628 18,420
Maximum	29,580 30,912

<u>Deputy Clerks</u>	<u>Annual Salary</u>
Minimum	\$13,812 14,436
Maximum	22,680 23,700

(d) Full-time assistant clerks, licensed to practice law in North Carolina, who are employed in the office of superior court clerk on and after July 1, 1984, are authorized an entry-level annual salary of not more than three-fourths of the maximum annual salary established for assistant clerks. Full-time assistant clerks, holding a law degree from an accredited law school, who are employed in the office of superior court clerk on and after July 1, 1984, are authorized an entry-level annual salary of not more than two-thirds of the maximum annual salary established for assistant clerks. The entry-level annual salary for all other assistant and deputy clerks employed on and after July 1, 1984, shall be at the minimum rates as herein established."

Requested by: Representative Watkins
 ----MAGISTRATES/SALARY INCREASE

Sec. 16. G.S. 7A-171.1(a)(1) reads as rewritten:

"(1) A full-time magistrate, so designated by the Administrative Officer of the Courts, shall be paid the annual salary indicated in the table below according to the number of years he has served as a magistrate. The salary steps shall take effect on the anniversary of the date the magistrate was originally appointed:

Table of Salaries of Full-Time Magistrates

<u>Number of Prior Years of Service</u>	<u>Annual Salary</u>
Less than 1	\$14,076 14,712
1 or more but less than 3	14,808 15,480
3 or more but less than 5	16,320 17,052
5 or more but less than 7	17,988 18,792
7 or more but less than 9	19,836 20,724
9 or more but less than 11	21,840 22,824
11 or more	24,036 25,116

A 'Full-time magistrate' is a magistrate who is assigned to work an average of not less than 40 hours a week during his term of office.

Notwithstanding any other provision of this subdivision, a full-time magistrate, who was serving as a magistrate on December 31, 1978, and who was receiving an annual salary in excess of that which would ordinarily be allowed under the provisions of this subdivision, shall not have the salary, which he was receiving reduced during any subsequent term as a full-time magistrate. That magistrate's salary shall be fixed at the salary level from the table above which is nearest and higher than the latest annual salary he was receiving on December 31, 1978, and, thereafter, shall advance in accordance with the schedule in the table above."

Requested by: Representative Watkins

-----COMMUNITY COLLEGES PERSONNEL/SALARY INCREASES

Sec. 17. The Director of the Budget may transfer from the salary increase reserve fund created for fiscal year 1988-89 and included in Section 2 of this act funds necessary to provide an average annual salary increase of four and one-half percent (4.5%), including funds for the employer's retirement and Social Security contributions, commencing July 1, 1988, for all permanent community college institutional personnel supported by State funds. Subject to the availability of funds, the salaries for temporary community college institutional personnel may be increased by pro rata amounts of the four and one-half percent (4.5%) average annual salary increase provided for permanent institutional employees. These funds may not be used for any purpose other than for the salary increases and necessary employer contributions.

Requested by: Representative Watkins

-----HIGHER EDUCATION PERSONNEL/SALARY INCREASES

Sec. 18. The Director of the Budget may transfer from the salary increase reserve fund created for fiscal year 1988-89 and included in Section 2 of this act funds necessary to provide an annual average salary increase of four and one-half percent (4.5%), including funds for the employer's retirement and Social Security contributions, commencing July 1, 1988, for all employees of The University of North Carolina supported by State funds who are exempt from the State Personnel Act. These funds shall be allocated to individuals according to rules adopted by the Board of Governors and may not be used for any purpose other than for the salary increases and necessary employer contributions.

Requested by: Representative Watkins

-----MOST STATE EMPLOYEES AND PUBLIC SCHOOL
EMPLOYEES/SALARY INCREASES

Sec. 19. (a) The salaries in effect for fiscal year 1987-88 for all permanent full-time State employees paid from the General Fund or the Highway Fund shall be increased, on and after July 1, 1988, unless otherwise provided by this Part, by an average of four and one-half percent (4.5%), rounded to conform to the steps in the salary ranges adopted by the State Personnel Commission. If an employee's salary for fiscal year 1987-88 is not equal to a specific pay rate on the 1987-88 salary schedule, his salary increase, effective July 1, 1988, unless otherwise provided by this Part, shall be four and one-half percent (4.5%) with the annual salary adjusted so as to be divisible by 12.

Except as otherwise provided in this act, the fiscal year 1987-88 salaries for permanent full-time State officials and persons in exempt positions that are recommended by the Governor or the Governor and the Advisory Budget Commission and set by the General Assembly shall be increased by an average of four and one-half percent (4.5%), commencing July 1, 1988.

The salaries in effect for fiscal year 1987-88 for all permanent part-time State employees shall be increased on and after July 1, 1988, by pro rata amounts of the four and one-half percent (4.5%) average salary increase provided for permanent full-time employees covered by the provisions of this subsection.

The Director of the Budget may allocate out of special operating funds or from other sources of the employing agency, except tax revenues, sufficient funds to allow a salary increase, on and after July 1, 1988, averaging four and one-half percent (4.5%), including funds for the employer's retirement and Social Security contributions, for the permanent full-time and part-time employees of the agency, provided the employing agency elects to make available the necessary funds.

Within regular Executive Budget Act procedures as limited by this act, all State agencies and departments may increase on an equitable basis the rate of pay of temporary and permanent hourly State employees, subject to availability of funds in the particular agency or department, by pro rata amounts of the four and one-half percent (4.5%) average salary increase provided for permanent full-time employees covered by the provisions of this subsection, commencing July 1, 1988.

(b) The salaries in effect for fiscal year 1987-88 for all permanent full-time public school employees supported by State funds and paid from the State public school fund and from other special

allocations to local public school units shall be increased by an average of four and one-half percent (4.5%), rounded to conform to the steps in the salary ranges adopted by the State Board of Education, commencing July 1, 1988.

The salaries in effect for fiscal year 1987-88 for all permanent part-time public school employees supported by State funds and paid from the State public school fund and from other special allocations to local public school units shall be increased by pro rata amounts of the four and one-half percent (4.5%) average salary increase provided for permanent full-time employees covered by the provisions of this subsection.

The fiscal year 1987-88 pay rates adopted by local boards of education for school bus drivers shall be increased by at least four and one-half percent (4.5%), on and after July 1, 1988, to the extent that such rates of pay are supported by the allocation of State funds from the State Board of Education. Local boards of education shall increase the rates of pay for all school bus drivers who were employed during fiscal year 1987-88 and who continue their employment for fiscal year 1988-89 by at least four and one-half percent (4.5%) on and after July 1, 1988.

Requested by: Representative Watkins

-----ALL STATE-SUPPORTED PERSONNEL/SALARY INCREASES

Sec. 20. (a) Salaries for positions that are funded partially from the General Fund or Highway Fund and partially from sources other than the General Fund or Highway Fund shall be increased from the General Fund or Highway Fund appropriation only to the extent of the proportionate part of the salaries paid from the General Fund or Highway Fund.

(b) The granting of the salary increases under this Part does not affect the status of eligibility for salary increments for which employees may be eligible unless otherwise required by this Part.

(c) The salary range maximums for all employees shall be increased to accommodate the across-the-board salary increase provided by this Part so that every employee will continue to have the same relative position with respect to salary increases and future increments as he would have had if these salary increases had not been made.

(d) The salary increases provided in this act to be effective July 1, 1988, do not apply to persons separated from State service due to resignation, dismissal, reduction in force, death, or retirement, whose last workday is prior to July 1, 1988.

(e) Notwithstanding the provisions of Section 19.1 of Chapter 1137 of the 1979 Session Laws as amended by Chapter 1053 of the

1981 Session Laws, G.S. 115C-12(9)a., G.S. 115C-12(16), G.S. 126-7, or any other provision of law other than G.S. 20-187.3(a) or G.S. 7A-102(c), no employee or officer of the public school system shall receive an automatic increment and no State employee or officer shall receive a merit increment during the 1988-89 fiscal year, except as otherwise permitted by this act.

(f) The Director of the Budget shall transfer from the salary increase reserve funds for fiscal year 1988-89 and included in Section 2 of this act and Section 3 of Chapter 738 of the 1987 Session Laws all funds necessary for the salary increases provided by Sections 6 through 19 and Section 25 of this act, including funds for the employer's retirement and Social Security contributions.

(g) Nothing in this Part authorizes the transfer of funds from the General Fund to the Highway Fund for salary increases.

Requested by: Representative Watkins

-----SALARY RELATED CONTRIBUTIONS/EMPLOYERS

Sec. 21. (a) Required employer salary-related contributions for employees whose salaries are paid from department, office, institution, or agency receipts shall be paid from the same source as the source of the employees' salary. If an employee's salary is paid in part from the General Fund or Highway Fund and in part from department, office, institution, or agency receipts, required employer salary-related contributions may be paid from the General Fund or Highway Fund only to the extent of the proportionate part paid from the General Fund or Highway Fund in support of the salary of the employee, and the remainder of the employer's requirements shall be paid from the source that supplies the remainder of the employee's salary. The requirements of this section as to source of payment are also applicable to payments on behalf of the employee for hospital-medical benefits, longevity pay, unemployment compensation, accumulated leave, workers' compensation, severance pay, separation allowances, and applicable disability salary continuation benefits.

(b) The State's employer contribution rates budgeted for retirement and related benefits as a percentage of covered salaries for the 1988-89 fiscal year are (1) eleven and nineteen hundredths percent (11.19%) - Teachers and State Employees; (2) sixteen and nineteen hundredths percent (16.19%) - State Law Enforcement Officers; (3) seven and sixty-two hundredths percent (7.62%) - University Employees' Optional Retirement Program; (4) thirty and eighty-one hundredths percent (30.81%) - Consolidated Judicial Retirement System; and (5) thirty-six and eighty-six hundredths percent (36.86%) - Legislative Retirement System. Each of the foregoing contribution

rates includes one and ten hundredths percent (1.10%) for hospital and medical benefits. The rate for State Law Enforcement Officers includes five percent (5%) for the Supplemental Retirement Income Plan. The rates for Teachers and State Employees, State Law Enforcement Officers, and for the University Employees' Optional Retirement Program includes fifty-two hundredths percent (0.52%) for the Disability Income Plan.

(c) The maximum annual employer contributions, payable monthly, by the State for each covered employee or retiree for fiscal year 1988-89 to the Teachers' and State Employees' Comprehensive Major Medical Plan are: (1) Medicare eligible employees and retirees - eight hundred fifty-eight dollars (\$858.00); and (2) Non-Medicare eligible employees and retirees - one thousand one hundred twenty-six dollars (\$1,126).

Requested by: Representative Watkins

-----POST-RETIREMENT ALLOWANCE INCREASES/RETIRED
TEACHERS, STATE EMPLOYEES, JUDICIAL PERSONNEL,
LOCAL GOVERNMENT EMPLOYEES, AND LEGISLATORS

Sec. 22. (a) G.S.135-5 is amended by adding a new subsection to read:

"(nn) From and after July 1, 1988, the retirement allowance to or on account of beneficiaries whose retirement commenced on or before July 1, 1987, shall be increased by three and six-tenths percent (3.6%) of the allowance payable on July 1, 1987, in accordance with G.S. 135-5(o). Furthermore, from and after July 1, 1988, the retirement allowance to or on account of beneficiaries whose retirement commenced after July 1, 1987, but before June 30, 1988, shall be increased by a prorated amount of three and six-tenths percent (3.6%) of the allowance payable as determined by the Board of Trustees based upon the number of months that a retirement allowance was paid between July 1, 1987, and June 30, 1988."

(b) G.S. 135-65 is amended by adding a new subsection to read:

"(i) From and after July 1, 1988, the retirement allowance to or on account of beneficiaries whose retirement commenced on or before July 1, 1987, shall be increased by three and six-tenths percent (3.6%) of the allowance payable on July 1, 1987. Furthermore, from and after July 1, 1988, the retirement allowance to or on account of beneficiaries whose retirement commenced after July 1, 1987, but before June 30, 1988, shall be increased by a prorated amount of three and six-tenths percent (3.6%) of the allowance payable as determined by the Board of Trustees based upon the number of months that a retirement allowance was paid between July 1, 1987, and June 30, 1988."

(c) G.S. 128-27 is amended by adding a new subsection to read:

"(dd) From and after July 1, 1988, the retirement allowance to or on account of beneficiaries whose retirement commenced on or before July 1, 1987, shall be increased by three and six-tenths percent (3.6%) of the allowance payable on July 1, 1987, in accordance with G.S. 128-27(k). Furthermore, from and after July 1, 1988, the retirement allowance to or on account of beneficiaries whose retirement commenced after July 1, 1987, but before June 30, 1988, shall be increased by a prorated amount of three and six-tenths percent (3.6%) of the allowance payable as determined by the Board of Trustees based upon the number of months that a retirement allowance was paid between July 1, 1987, and June 30, 1988."

(d) G.S. 120-4.22A is amended by adding a new subsection to read:

"(d) In accordance with subsection (a) of this section, from and after July 1, 1988, the retirement allowance to or on account of beneficiaries whose retirement commenced on or before January 1, 1988, shall be increased by the same amount as provided to retired members and beneficiaries of the Teachers' and State Employees' Retirement System pursuant to the provisions of G.S. 135-5(ll) and (mm)."

(e) The Legislative Administrative Officer shall transfer to the Legislative Retirement System the sum of eighty-three thousand dollars (\$83,000) from funds available to the General Assembly for fiscal year 1988-89 to fund the provisions of subsection (d) of this section.

Requested by: Representative Watkins

-----CERTAIN EXECUTIVE BRANCH OFFICIALS/SALARY INCREASES

Sec. 25. Section 14 of Chapter 738, Session Laws of 1987 reads as rewritten:

"Sec. 14. (a) The annual salaries, payable monthly, for the ~~1987-88~~ and 1988-89 fiscal ~~years~~ year for the following executive branch officials are:

<u>Executive Branch Officials</u>	<u>Annual Salary</u>
Chairman, Alcoholic Beverage Control Commission	\$ 61,656 64,428
Commissioner of Motor Vehicles	61,656 64,428
Commissioner of Banks	61,656 64,428
Deputy Banking Commissioner	47,136 55,392
Chairman, Employment Security Commission	61,656 64,428
State Personnel Director	64,092 66,972
Chairman, Parole Commission	56,268 58,800
Members of the Parole Commission	51,900 54,240

Chairman, Industrial Commission	55,344	<u>57,840</u>
Members of the Industrial Commission	53,988	<u>56,412</u>
Executive Director, Agency for Public Telecommunications	51,900	<u>54,240</u>
Director, Seafood Industrial Park Authority	34,332	<u>35,880</u>
General Manager, Ports Railway Commission	46,824	<u>48,936</u>
Director, Museum of Art	63,192	<u>66,036</u>
Director, State Ports Authority	71,664	<u>74,892</u>
Controller, State Board of Education	74,184	<u>77,520</u>
Executive Director, Wildlife Resources Commission	53,160	<u>55,548</u>
Executive Director, North Carolina Housing Finance Agency	76,404	<u>79,848</u>
Executive Director, North Carolina Technological Development Authority	40,764	<u>42,600</u>
Executive Director, North Carolina Agricultural Finance Authority	60,000	<u>62,700</u>
Director, Office of Administrative Hearings	54,372	<u>56,820"</u>

(b) Any person carrying on the functions of a position listed in subsection (a) this section shall be paid only the salary set out in that subsection, and the mere classification of the position to be some other position does not allow the salary of that position to be set in some other manner.

-----MERIT PAY/STUDY

Sec. 27. (a) The Legislative Study Commission on a System of Merit Pay for State Employees is created. The Commission shall consist of 16 members:

- (1) Six Senators appointed by the President of the Senate;
- (2) Six Representatives appointed by the Speaker of the House; and
- (3) Four persons appointed by the President of the State Employees Association of North Carolina, Inc. The President of the State Employees Association of North Carolina, Inc., shall be eligible for appointment to the Commission. The list of appointments shall be sent to the President of the Senate and the Speaker of the House of Representatives no later than the date set by subsection (b) of this subsection.

(b) All initial appointments shall be made by August 1, 1988.

Vacancies on the Study Commission shall be filled in the same manner as initial appointments.

(c) The President of the Senate shall designate one Senator as Cochair and the Speaker shall designate one Representative as Cochair. The Cochairs shall call the initial meeting of the Study Commission.

(d) The Study Commission shall conduct a study of a system of merit pay for State employees.

(e) The Study Commission shall submit a report of its findings and recommendations to the 1989 General Assembly on or before the first day of the 1989 Session of the General Assembly by filing the report with the President of the Senate and the Speaker of the House of Representatives. Upon filing its report, the Study Commission shall terminate.

(f) Upon approval of the Legislative Services Commission, the Legislative Administrative Officer shall assign professional staff to assist in the work of the Study Commission. Clerical staff shall be furnished to the Study Commission through the offices of the House and Senate Supervisors of Clerks. The expenses of employment of the clerical staff shall be borne by the Study Commission. The Study Commission may meet in the Legislative Building or the Legislative Office Building with approval of the Legislative Services Commission.

(g) Members of the Study Commission shall be paid compensation, subsistence, and travel allowances as follows:

- (1) Study Commission members who are also General Assembly members at the rate established in G.S. 120-3.1;
- (2) Study Commission members who are also officials or employees of the State at the rate established in G.S. 138-6;
- (3) All other Study Commission members at the rate established in G.S. 138-5.

(h) Of funds available to the General Assembly, the Legislative Services Commission may allocate such sums as deemed necessary for use of the Legislative Study Commission on a System of Merit Pay for State Employees.

Requested by: Representative Bob Etheridge and Senator Royall
 -----INCREASE EMPLOYER CONTRIBUTION RATE/OPTIONAL
 RETIREMENT PROGRAM

Sec. 28. G.S. 135-5.1(c) reads as rewritten:

"(c) Each employing institution shall contribute on behalf of each participant in the Optional Retirement Program an amount equal to the amount which the employee would be required to contribute to the Retirement System as a member of the Retirement System as specified in G.S. 135-8(b)(1) a percentage of the participant's compensation as

established from time to time by the General Assembly. Each participant shall contribute the amount which he or she would be required to contribute if a member of the Retirement System. Contributions authorized or required by the provisions of this subsection on behalf of each participant shall be made, consistent with Section 414(h) of the Internal Revenue Code, by salary reduction according to rules and regulations established by The University of North Carolina. Additional personal contributions may also be made by a participant by payroll deduction or salary reduction to an annuity or retirement income plan established pursuant to G.S. 116-17. Payment of contributions shall be made by the employing institution to the designated company or companies underwriting the annuities or the trustees for the benefit of each participant, and this employer contribution shall not be subject to any State tax if made under the Optional Retirement Program or, otherwise, by salary reduction."

Requested by: Representative Bob Etheridge

----FIREMAN & RESCUE SQUAD WORKER PENSION CREDITS

Sec. 29. G.S. 118-46 reads as rewritten:

" 118-46. Determination of creditable service; information furnished by applicants for membership. The board shall determine by appropriate rules and regulations the number of years' credit for service of firemen and rescue squad workers. Firemen and rescue squad workers who are now serving as such shall furnish the board with information upon applying for membership as to previous service. Notwithstanding any other provisions of this Article, the Board may grant qualified prior service credits to eligible firemen and rescue squad workers under such terms and conditions that the Board may adopt when the Board determines that an eligible fireman or rescue squad worker has been denied such service credits through no fault of his own."

Requested by: Representative Watkins

----ADJUST STATE EMPLOYEE/BOARD COMMISSION PER
DIEM/SUPERIOR COURT JUDGE EXPENSE
ALLOWANCE/LEGISLATIVE SUBSISTENCE

Sec. 30. (a) Effective January 1, 1989, G.S. 138-6(a)(3) reads as rewritten:

"(3) For expenses incurred for subsistence, payment of ~~fifty-two dollars (\$52.00)~~ fifty-five dollars (\$55.00) per day when traveling in-state or ~~sixty-four dollars (\$64.00)~~ sixty-seven dollars (\$67.00) per day when traveling out-of-state. When travel involves less than a full day (24-hour period), a reasonable prorated amount shall be paid in accordance with regulations and criteria which shall be promulgated

and published by the Director of the Budget. Reimbursement to State employees for lunches eaten while on official business may be made only in the following circumstances:

a. When an overnight stay is required reimbursement is allowed while an employee is in travel status;

b. When the cost of the lunch is included as part of a registration fee for a formal congress, conference, assembly, or convocation, by whatever name called. Such assembly must involve the active participation of persons other than the employees of a single State department, institution, or agency and must be necessary for conducting official State business; or

c. When the State employee is a member of a State board, commission, committee, or council which operates from funds deposited with the State Treasurer, and the lunch is preplanned as part of the meeting for the entire board, commission, committee, or council."

(b) Effective January 1, 1989, G.S. 7A-44(a) reads as rewritten:

"(a) A judge of the superior court, regular or special, shall receive the annual salary set forth in the Current Operations Appropriations Act, and in addition shall be paid the same travel allowance as State employees generally by G.S. 138-6(a)(1) and (2), provided that no travel allowance be paid for travel within his county of residence. In addition, a judge of the superior court shall be allowed ~~six thousand five hundred dollars (\$6,500)~~ seven thousand dollars (\$7,000) per year, payable monthly, in lieu of necessary subsistence expenses while attending court or transacting official business at a place other than in the county of his residence and in lieu of other professional expenses incurred in the discharge of his official duties. The Administrative Officer of the Courts may also reimburse superior court judges, in addition to the above funds for travel and subsistence, for travel and subsistence expenses incurred for professional education."

(c) Effective upon convening of the 1989 Regular Session of the General Assembly, G.S. 120-3.1(a) reads as rewritten:

"(a) In addition to compensation for their services, members of the General Assembly shall be paid the following allowances:

- (1) A weekly travel allowance for each week or fraction thereof that the General Assembly is in regular or extra session. The amount of the weekly travel allowance shall be calculated for each member by multiplying the actual round-trip mileage from that member's home to the City of Raleigh by the rate per mile allowed to State employees for official travel.
- (2) A travel allowance at the rate allowed by statute for State employees whenever the member travels, whether in or out

of session, as a representative of the General Assembly or of its committees or commissions, with the approval of the Legislative Services Commission.

- (3) A subsistence allowance for meals and lodging at a daily rate equal to the maximum per diem rate for federal employees traveling to Raleigh, North Carolina, as set out at ~~51 Federal Register 19683 (May 30, 1986)~~, 52 Federal Register 26644 (July 15, 1987), while the General Assembly ~~as is~~ is in session and, except as otherwise provided in this subdivision, while the General Assembly is not in session when, with the approval of the Speaker of the House in the case of Representatives or the President Pro Tempore of the Senate in case of Senators, the member is:

- a. Traveling as a representative of the General Assembly or of its committees or commissions, or
- b. Otherwise in the service of the State.

A member who is authorized to travel, whether in or out of session, within the United States outside North Carolina, may elect to receive, in lieu of the amount provided in the preceding paragraph, a subsistence allowance of twenty dollars (\$20.00) a day for meals, plus actual expenses for lodging when evidenced by a receipt satisfactory to the Legislative Administrative Officer, the latter not to exceed the maximum per diem rate for federal employees traveling to the same place, as set out at ~~51 Federal Register 19677-19686 (May 30, 1986)~~ 52 Federal Register 26630-26648 (July 15, 1987) and at ~~51 Federal Register 16885-16886 (May 7, 1986)~~ 52 Federal Register 33616-33617 (September 4, 1987).

- (4) A member may be reimbursed for registration fees as permitted by the Legislative Services Commission."

Requested by: Representative Watkins and Senator Swain

-----INCREASE EMERGENCY JUDGE PER DIEM

Sec. 31. (a) G.S. 7A-39.3(b) reads as rewritten:

"(b) In addition to the compensation or retirement allowance he would otherwise be entitled to receive by law, each emergency justice or emergency judge recalled for temporary active service shall be paid by the State his actual expenses, plus ~~one hundred dollars (\$100.00)~~ one hundred fifty dollars (\$150.00) for each day of active service rendered upon recall. No recalled retired or emergency justice or judge shall receive from the State total annual compensation for judicial services in excess of that received by an active justice or judge of the bench to which the justice or judge is being recalled."

(b) G.S. 7A-52(b) reads as rewritten:

"(b) In addition to the compensation or retirement allowance he would otherwise be entitled to receive by law, each emergency judge of the district or superior court who is assigned to temporary active service by the Chief Justice shall be paid by the State his actual expenses, plus one hundred dollars (\$100.00) one hundred fifty dollars (\$150.00) for each day of active service rendered upon recall. No recalled retired trial judge shall receive from the State total annual compensation for judicial services in excess of that received by an active judge of the bench to which the judge is recalled."

PART VI-----DEPARTMENT OF ADMINISTRATION

Requested by: Representative Hunter

-----DOMESTIC VIOLENCE GRANTS/LUMP SUM PAYMENTS

Sec. 32. Funds appropriated for grants for domestic violence programs for the 1988-89 fiscal year and included in Section 3 of this act shall be paid to the programs in lump sums as soon as possible after the programs qualify for the grants.

Requested by: Senator Royall, Representative Nesbitt

-----SIPS

Sec. 33. Section 23.1 of Chapter 876, Session Laws of 1987, reads as rewritten:

"Sec. 23.1 (a) The functions and powers of the Secretary of the Department of Administration relating to the administration of the State Information Processing Services are hereby transferred to the State Controller as follows: Those functions, powers and duties related to the authority to carry out the provisions of G.S. 143-341(9) and the staff and services provisions of G.S. 143B-426.21.

(b) This section is effective until August 1, ~~1988~~ 1989."

Requested by: Senator Royall, Representative Nesbitt

Sec. 34. (a) The funds appropriated in Chapter 738, Section 65, Session Laws of 1987, to a Reserve Fund to the Department of Revenue for expenditure in Fiscal Year 1988-89 shall be expended as follows: one million two hundred sixty thousand seven hundred fourteen dollars (\$1,260,714) for development of an office automation system and four hundred thousand dollars (\$400,000) for development of an agency distributed computer capability at the Department of Revenue in cooperation with the State Information Processing Services and in design, implementation, evaluation, and documentation of a

distributed data processing model for State Government. The Department of Revenue shall report on (1) the development of the office automation system, (2) the planning and development of the distributed computer capability, pursuant to the requirements of G.S. 143-341(9) as rewritten below, and (3) the expenditure of funds for these purposes to a regular monthly meeting of the Joint Legislative Commission on Governmental Operations not later than December 31, 1988.

(b) G.S. 143-341(9) reads as rewritten:

"(9) Information Processing Services. -- With respect to all executive departments and agencies of State government, except the Department of Justice and The University of North Carolina:

a. To establish and operate information processing centers and services to serve two or more departments on a cost-sharing basis, if the Computer Commission decides it is advisable from the standpoint of efficiency and economy to establish these centers and services;

b. With the approval of the Computer Commission, to charge, on a time basis, each department for which services are performed its proportionate part of the cost of maintaining and operating the shared centers and services;

c. With the approval of the Computer Commission, to require any department served to transfer to the Department of Administration ownership, custody, or control of information processing equipment, supplies, and positions required by the shared centers and services;

d. With the approval of the Computer Commission, to adopt reasonable rules for the efficient and economical management and operation of the shared centers and services;

e. With the approval of the Computer Commission, to adopt plans, policies, procedures, and rules for the acquisition, management, and use of information processing equipment and personnel in the departments affected by this subdivision to facilitate more efficient and economic use of information processing resources in these departments; and

f. To develop and promote training programs to improve the technical and managerial capability of personnel in information processing functions.

The Department of Revenue is authorized to deviate from this section's requirements that departments or agencies consolidate information processing functions on equipment owned, controlled or under custody of the State Information Processing Services. All deviations from this section's requirements shall be reported in writing within 15 days by the Department of Revenue to the Computer

Commission and shall be consistent with available funding. The Department of Revenue is authorized to adopt and shall adopt plans, policies, procedures, requirements and rules for the acquisition, management, and use of information processing equipment, information processing programs, data communications capabilities, and information systems personnel in the Department of Revenue. If the plans, policies, procedures, requirements, rules, or standards adopted by the Department of Revenue deviate from the policies, procedures, or guidelines adopted by the State Information Processing Services, those deviations shall be allowed and shall be reported in writing within 15 days by the Department of Revenue to the Computer Commission. The Department of Revenue shall develop an information systems capability, in cooperation with the State Information Processing Services, that will distribute the Department's information processing resources and databases between the agencies' two information processing centers. The distributed system shall require that major computer production processing, data communications through the state data communications network, and major database activity shall occur on computer facilities maintained by the State Information Processing Services. The distributed system shall allow major data entry processing, computer program development, and computer program testing to occur on the Department of Revenue computer system. The Department of Revenue and the State Information Processing Services shall develop data communications capabilities between the two computer centers, subject to a security review by the Secretary of the Department of Revenue. The State Information Processing Services and the Department of Revenue shall prepare a plan to allow for substantial recovery and operation of major, critical computer applications at each agency's respective facility. The plan shall include the names of the computer programs, databases, and data communications capabilities from each facility, identifying the maximum amount of outage that can occur prior to the initiation of the plan and resumption of operation at the backup facility. The plan shall include the names of designated personnel from both information processing facilities to serve as a joint disaster recovery team in the event one of the facilities is rendered inoperable for a substantial amount of time. The plan shall be consistent with commonly accepted practices for disaster recovery in the information processing industry. The plan shall be tested as soon as practical, but not later than six months, after the establishment of the Department of Revenue information processing capability that is compatible with and partially redundant to the information processing capabilities at the State Information Processing Services.

No data of a confidential nature, as defined in the General Statutes or federal law, may be entered into or processed through any cost-sharing information processing center established under this subdivision until safeguards for the data's security satisfactory to the department head and the Secretary of Administration have been designed and installed and are fully operational. Nothing in this section may be construed to prescribe what programs to satisfy a department's objectives are to be undertaken, nor to remove from the control and administration of the departments the responsibility for program efforts, regardless whether these efforts are specifically required by statute or are administered under the general program authority and responsibility of the department. This subdivision does not affect the provisions of G.S. 147-58 or G.S. 143-340(14). Notwithstanding any other provision of law, the Department of Administration shall provide information processing services on a cost-sharing basis to the General Assembly and its agencies as requested by the Legislative Services Commission."

(c) This section is effective upon ratification.

Requested by: Senator Royall

-----COMPUTER STUDY COMMISSION FUNDS

Sec. 35. (a) Of the funds appropriated to the Office of the State Controller in Section 2 of Chapter 738 of the 1987 Session Laws as amended, the sum of fifty thousand dollars (\$50,000) is hereby transferred to the State Information Processing Needs and Cost Study Commission. The funds shall be used by the Study Commission to evaluate the Office of the State Controller's request for funds to redesign and develop a State accounting system and to evaluate the research previously conducted on this topic.

(b) This section is effective upon ratification.

Requested by: Senator Royall

-----SUPERCOMPUTER-POLICY BOARD

Sec. 36. (a) Section 74(a) of Chapter 830 of the 1987 Session Laws is rewritten as follows:

"(a) Of the funds appropriated to the Office of State Budget and Management in Section 5 of this act as amended, the sum of twelve million dollars (\$12,000,000) for the 1987-88 fiscal year and the sum of six million dollars (\$6,000,000) for the 1988-89 fiscal year shall be used for a supercomputer that is needed both to keep North Carolina's universities in the forefront of scholarly research and training and to maintain the momentum of the State's science-based economic

development. The funds shall be used for capital equipment, construction of a building and operating expenses, and shall be placed in a non-revert reserve."

(b) The State Computer Commission and the agency, institution, or organization it designates as the manager for the supercomputer project shall present a written report on the progress of the supercomputer project to each regular monthly meeting of the Joint Legislative Commission on Governmental Operations through the years 1988, 1989, and 1990. The written reports shall be delivered to the Director of General Assembly Fiscal Research Division not less than 48 hours prior to the beginning of the Commission's full meeting. The written reports shall contain at least the following information: the major tasks accomplished since the last report; the major tasks expected for the project over the two calendar years after the date of the report; the projected budgets and expenditures of the project over the next two calendar years after the date of the report; the major applications and uses on the supercomputer in the time since the last report; and the major projected applications and uses on the supercomputer in the next several months that will follow the report. The report shall constitute a full management and status report on the supercomputer project. If so requested by the Cochairmen of the Joint Legislative Commission on Governmental Operations, the Chairman of the State Computer Commission, or his designee, shall present the report verbally to the meeting of Joint Legislative Commission on Governmental Operations.

(c) If the Office of State Budget and Management, the State Computer Commission, or any other State entity enters into a contract or other management agreement with the Microelectronics Center of North Carolina or any other State agency, State institution, State organization or nonprofit corporation for overall management of the supercomputer project and expenditure of these funds, and further specifies a board to govern the project, or if one is established subsequent to the contract that board shall consist of the following members: four members appointed by the General Assembly upon recommendation of the Speaker of the House of Representatives, to be selected from higher education institutions in North Carolina, major corporations in North Carolina, and major research organizations in North Carolina, and from among the general public; four members appointed by the General Assembly upon recommendation of the President of the Senate, to be selected from higher education institutions in North Carolina, major corporations in North Carolina, and major research organizations in North Carolina and from among the general public; four members appointed by the Governor, to be selected from higher education institutions in North Carolina, major

corporations in North Carolina, and major research organizations in North Carolina, and from the general public; the Legislative Administrative Officer or his designee; and the Director of the supercomputer center after he or she is employed at the supercomputer center.

(d) The chairman and vice-chairman of the board will be elected by the membership of the board. No member of the General Assembly may serve on the policy board.

(e) Appointments shall be made no later than 30 days after the execution of the contract or management agreement between the Computer Commission or the Office of State Budget and Management and the project management organization. The appointments will be for terms of four years each.

Appointments made by the Governor can be removed by the Governor, and vacancies in those appointments will be filled by the Governor to fill the unexpired term.

Appointments by the General Assembly shall be made in accordance with G.S. 120-121, and vacancies in those appointments shall be filled in accordance with G.S. 120-122.

(f) Among other duties, the Policy Board shall: (i) approve the appointment of a Director and set his or her employment conditions; (ii) approve the specifications of the supercomputer and the recommendation of a successful bidder that will be chosen according to the procurement procedures of the Division of Purchase and Contract in the Department of Administration; (iii) formulate and approve the budget and operating policies of the supercomputer center; (iv) approve the purposes of the supercomputer center; and (v) serve generally as the governing board of the supercomputer center.

(g) This section is effective upon ratification.

Requested by: Representatives Bob Etheridge and Hardaway
----CONTINUE PROGRAM TO ENCOURAGE STATE
PURCHASES FROM MINORITY BUSINESSES

Sec. 38. Section 52 of Chapter 738 of the 1987 Session Laws reads as rewritten:

"Sec. 52. (a) Of the funds appropriated in a reserve to the Office of State Budget and Management in Section 2 of this act, the sum of fifty thousand dollars (\$50,000) for the 1987-88 fiscal year, and an additional sum of fifty thousand dollars (\$50,000) for the 1988-89 fiscal year if appropriated by the General Assembly, shall be used by the Department to:

- (1) Identify small businesses, especially those owned by minorities, disabled persons, and women, that could do business with the State, and to provide pre- and post-bid

information and assistance to these businesses on how to do business with the State;

- (2) Publish and distribute to State purchasers a directory of small business enterprises, especially those owned by minorities, disabled persons, and women; and
- (3) Establish a system to monitor, record, and measure the use of small businesses, especially those owned by minorities, disabled persons, and women, by the State.

(b) The General Assembly urges all subdivisions and agencies of the State, all local governments, and all other entities, authorized to use the services of the Department of Administration in the purchase of materials, supplies, and equipment, (i) to participate in a Program to Encourage Business Enterprises Owned by Minority, Women and Disabled Persons, and (ii) to purchase a minimum of four percent (4%) of their contract purchases from businesses owned by minorities, disabled persons, and women, provided that the purchases comply with the policy set forth in G.S. 143-48.

All participating entities required to use the services of the Department of Administration in the purchase of materials, supplies, and equipment shall report to the Department of Administration in March of 1988 and in March of 1989 on what percentage of their contract purchases were from businesses owned by minorities, disabled persons, and women, and what percentage of the contract bids for such purchases were from businesses owned by such persons. The Department of Administration shall provide the reports to the House and Senate Base Budget Appropriations Committees on General Government in April of 1989.

For the purpose of this section, whenever it is specified that a business must be owned by minorities, disabled persons, and women, it means such persons who are also either United States Citizens or United States Nationals."

Requested by: Representative Murphy

-----LOW LEVEL RADIOACTIVE WASTE MANAGEMENT

Sec. 39. Of the funds appropriated for the 1988-89 fiscal year and included in Section 4 of this act to the Department of Administration for the Low Level Radioactive Waste Management Authority, the sum of one hundred thousand three hundred eleven dollars (\$100,311) shall be transferred to the Department of Human Resources, Division of Facility Services, Radiation Protections Section, to perform its responsibilities relative to the siting, design, and licensing of a low level radioactive waste disposal facility.

Requested by: Representative Murphy, Senator Thomas

-----GOVERNOR'S WASTE MANAGEMENT BOARD FUNDS

Sec. 40. Of the funds appropriated for fiscal year 1988-89 to the Department of Administration for the Low-Level Radioactive Waste Management Authority, and included in Section 2 of this act, the sum of fifty thousand dollars (\$50,000) for fiscal year 1988-89 shall be transferred to the Department of Human Resources for the Governor's Waste Management Board, to develop a public education program on low level radioactive waste.

Requested by: Representatives Watkins and Bob Etheridge

-----ALLOCATION OF RAPE CRISIS CENTER FUNDS/MERGER WITH DOMESTIC VIOLENCE PROGRAMS

Sec. 41. The additional funds for Rape Crisis Centers in the amount of three hundred sixty-eight thousand dollars (\$368,000) appropriated for fiscal year 1988-89 and included in Section 3 of this act shall be distributed to the recipients in the same proportion as federal funding lost by those recipients. Since this is a one-time appropriation, in order to improve efficiency, those Rape Crisis Centers should where possible do what is necessary to merge their operations with Domestic Violence Centers in their area by June 30, 1989.

PART VII-----DEPARTMENT OF STATE AUDITOR

Requested by Representative Bob Etheridge and Senator Royall

-----AUDITOR'S HOTLINE

Sec. 42. The Department of State Auditor is authorized to use over-realized receipts, when they become available, in the amount of one hundred seventy-three thousand four hundred twenty-two dollars (\$173,422) for fiscal year 1988-89 in order that the Department may fund two hotline positions (one Assistant State Auditor Supervisor II and one Assistant State Auditor III) with full funding for all support items and two Assistant State Auditor III positions. This will allow continuation of the hotline program to encourage reporting of fraud, waste, and abuse in State government.

PART VIII-----DEPARTMENT OF CULTURAL RESOURCES

Requested by: Representative Murphy

-----LIBERTY CART OUTDOOR DRAMA FUNDS

Sec. 43. Of the funds appropriated to the Department of Cultural Resources for the 1988-89 fiscal year for Aid to Theatre and included in Section 3 of this act, the sum of thirty-five thousand

dollars (\$35,000) shall be allocated to the Duplin Outdoor Drama Society, Inc., for fiscal year 1988-89 for production of the outdoor drama "The Liberty Cart: A Duplin Story." This allocation is for one year only.

Requested by: Senator Harrington

-----FIRST IN FREEDOM FUNDS

Sec. 44. G.S. 143-204.8(c) reads as rewritten:

"(c) For purposes of this section, an 'outdoor historical drama corporation or trust,' means only the following corporations or trusts presenting outdoor historical dramas:

Corporation or Trust	Outdoor Historical Drama
Cherokee Historical Association, Incorporated	'Unto These Hills'
The Committee for an Outdoor Drama at Bath, Incorporated	'Blackbeard -- The Knight of the Black Flag'
The Duplin Outdoor Drama Society, Incorporated	'The Liberty Cart: A Duplin Story'
Halifax County Historical Association <u>Eastern Stage, Inc.</u>	'First for Freedom'
The Moore County Historical Association, Incorporated	'The House in the Horseshoe'
The Outdoor Theatre Fund Charitable Trust	'From This Day Forward'
'Revolution!', Incorporated	'Revolution!'
Roanoke Island Historical Association, Incorporated	'The Lost Colony'
Robeson Historical Drama, Incorporated	'Strike at the Wind'
Snow Camp Historical Drama Society, Incorporated	'Sword of Peace'
Southern Appalachian Historical Association, Incorporated	'Horn in the West'
The Waxhaws Historical Festival and Drama Association	'Listen and Remember'

The above listing of dramas is for informational purposes only and shall not be construed to limit the eligibility of the specified outdoor historical drama corporation or trust to receive allotments under this section."

Requested by: Representative Nesbitt

-----USE OF LAND NEAR POLK YOUTH CENTER LIMITED

Sec. 46. Notwithstanding any other provision of law, the State

land which lies beside the North Carolina Museum of Art and behind the Polk Youth Center, and which is bounded by the Raleigh Beltline on the east, Wade Avenue on the south, Blue Ridge Road on the west, and a northern boundary that is the extension of the current State land boundary beginning at the Raleigh Beltline and running generally westward to Blue Ridge Road between the Cross Country Transmission Line and the intersection of Myron Drive and Nancy Ann Drive, may not be used by the North Carolina Museum of Art for any purpose until the Museum's master plan for site development is presented to and specifically and expressly approved by the General Assembly, and by the Office of State Construction, Department of Administration in accordance with existing law.

Requested by: Representative Nesbitt

-----USE OF THOMAS WOLFE HISTORIC SITE FUNDS

Sec. 47. The Department of Cultural Resources may use funds available to it for the Thomas Wolfe Memorial State Historic Site for redesign of the building.

Requested by: Senator Plyler

-----ANDREW JACKSON MEMORIAL FUNDS

Sec. 47.1. Of the funds available to the Department of Cultural Resources, the Department shall use the sum of sixty thousand dollars (\$60,000) in fiscal year 1988-89 for operating staff and facilities maintenance of the Andrew Jackson Memorial in Union County.

PART IX-----OFFICE OF THE GOVERNOR

Requested by: Senator Rand

-----TRANSITION EXPENSES

Sec. 48. G.S. 147-31.1 reads as rewritten:

" § 147-31.1. Office space and expenses for Governor-elect and Lieutenant Governor-elect; and other Council of State members-elect. The Department of Administration, upon request of the Governor-elect and Lieutenant Governor-elect, made after the general election for these respective offices, is empowered and directed to provide suitable office space and office staff for each such official for the period between the general election and inauguration.

The Department of Administration shall provide, for the fiscal years in which general election and inauguration of the Governor and Lieutenant Governor shall occur, such sums, not in excess of ~~three thousand five hundred dollars (\$3,500)~~ eighty thousand dollars (\$80,000) for the Governor-elect, and not in excess of ~~one thousand~~

~~five hundred dollars (\$1,500)~~ ten thousand dollars (\$10,000) for the Lieutenant Governor-elect, as may be necessary for the salary of the staffs and the payment of office expenses of each such official during such interim.

(b) The Department of Administration, upon request of any other member-elect of the Council of State who is not an incumbent in that office, shall provide for such persons suitable office space and office staff for each such official for the period between the general election and inauguration.

The Department of Administration shall provide, for the fiscal years in which general election and inauguration of such persons occurs, ten thousand dollars (\$10,000) for the salary of the staffs and the payment of office expenses of each such official during such interim. If there are more than two such persons, such services and payments shall be made from the Contingency and Emergency Fund upon approval of the Council of State."

Requested by: Senator Plyler

-----TRANSFER OSBM POSITION TO UNC

Sec. 49. The Director of the Budget may transfer a Statistical Assistant V position from the Office of State Budget and Management to the Need-Based Student Loan Program, State Education Assistance Authority, General Administration, University of North Carolina, as well as the funds for salary and fringe benefits for that position.

Requested by: Representative Watkins

-----EXPENDITURE OF FUNDS FOR REJECTED PURPOSE

Sec. 50. G.S. 143-16.3 reads as rewritten:

"§ 143-16.3. No expenditures for purposes for which the General Assembly has considered but not enacted an appropriation. ~~No~~ Notwithstanding any other provision of law, no funds from any source, except for gifts and grants, may be expended for any purpose for which the General Assembly has considered but not enacted an appropriation of funds for the current fiscal period. For the purpose of this section, the General Assembly has considered a purpose when that purpose is included in a bill or petition or when any committee of the Senate or the House of Representatives deliberates on that purpose."

PART X-----DEPARTMENT OF INSURANCE

Requested by: Representative Bob Etheridge

-----INSURANCE POSITIONS

Sec. 52. In the Department of Insurance, position #3904-0000-0000-235 (Administrative Officer I) is moved from fund "1220"-Company Services to fund "1500"-Special Services, and the funding for such position is also transferred.

Requested by: Representative Bob Etheridge
 -----INSURANCE FUND MERGER

Sec. 53. In the Department of Insurance, fund numbers "1250"-Investigations and "1500"-Special Services are merged into a new fund number "1260"-Field Services. All positions and working funds are likewise moved to the merged fund.

Requested by: Representative Bob Etheridge
 -----MOBILE HOME WARRANTY PROGRAM

Sec. 54. When receipts and federal funds are insufficient the Department of Insurance may use available funds during fiscal year 1988-89 to fund current positions in the Mobile Home Monitoring Program of the North Carolina Manufactured Housing Board. The Department may use such funds until federal funds and the fees collected pursuant to G.S. 143-143.11 produce sufficient revenues to fund the Program. In the event such fee revenues exceed the amount necessary to fund the program, the Department and Board shall transfer such excess funds back to the Department, and the funds shall then revert.

PART XI-----DEPARTMENT OF REVENUE

Requested by: Senator Royall; Representative Watkins
 -----FUNDS USED FOR LOCAL TAX REIMBURSEMENT

Sec. 55. Legislation enacted by the General Assembly requires that local government units in North Carolina be reimbursed out of collections from specific General Fund taxes for State-mandated reductions in the local tax base since 1981. The estimated amounts of the reimbursements are shown below:

<u>Reimbursement Category</u>	<u>Source of Reimbursement</u>	<u>Year of Legislation</u>	<u>1988-89 Amount</u>
Intangibles Tax on Money on Deposit (G.S. 105-213.1)	Personal Income Tax	1985	\$23,405,000
Intangibles Tax on Accounts Receivable (G.S. 105-213.1)	Personal Income Tax	1985	\$5,700,000

Property Tax on Manufacturing Inventories (G.S. 105-275.1)	Corporate Income Tax	1985 1987	\$103,900,000
Property Tax on Wholesale and Retail Inventories (G.S. 105-277A)	Sales and and Use	1985 1987	\$66,100,000
Property Tax Homestead Exemption Expansion (G.S. 105-277.1A)	Cigarette Tax	1981 1985	\$7,800,000
Sales Tax Exemption for Food Stamp Purchases (G.S. 105-164.44C)	Sales and Use Tax	1985	<u>\$5,300,000</u>
TOTAL			<u>\$212,205,000</u>

The Fiscal Research Division shall, after consultation with the Department of State Auditor and the Office of State Controller, report to the 1989 General Assembly on possible alternative systems for accounting for these reimbursements.

Requested by: Representative Miller

-----STATE/LOCAL SPECIAL REVENUE FUNDS

Sec. 56. House Bill 2430, 1987 Session, if enacted, will enhance the ability of the Department of Revenue to collect State and local sales taxes due on sales by non-resident vendors to residents of this State. If House Bill 2430 is enacted, the Secretary of Revenue shall to the extent practicable identify the out-of-State retailers that, as a result of the legislation, will be required to collect State and local sales and use taxes on sales to residents of this State because they purposefully or systematically exploit the market provided by this State, as provided in proposed G.S. 105-164.8(b)(5), and would not otherwise be required to collect the taxes based on one of the conditions in proposed G.S. 105-164.8(b)(1) through (3). Because at this time it is impossible to estimate the amount of additional revenue that may be generated by enactment of House Bill 2430, sound budgetary practices dictate that the State and local sales taxes collected and remitted by these identified retailers should not be distributed or expended before the 1989-90 fiscal year. Therefore, notwithstanding any other provision of law, the Secretary of Revenue shall deposit the

State sales and use taxes collected and remitted by these identified retailers in a special fund to the credit of the State Treasurer, to be called the State Special Revenue Fund. It is the intent of the General Assembly that these State tax proceeds shall remain in the Special Fund until the General Assembly provides that they shall be deposited in the General Fund. In addition, notwithstanding any other provision of law, the Secretary of Revenue shall deposit the local sales and use taxes collected and remitted by these identified retailers in another special fund to the credit of the State Treasurer, to be called the Local Special Revenue Fund. It is the intent of the General Assembly that these local tax proceeds shall remain in the Special Fund until the General Assembly provides that they shall be distributed to local governments in accordance with Articles 39, 40, 41, and 42 of Chapter 105 of the General Statutes and in accordance with Chapter 1096 of the 1967 Session Laws.

Requested by: Representative Nesbitt

-----SALES-ASSESSMENT RATIO STUDIES/CLARIFICATION OF FUNDING

Sec. 57. Section 84(d) of Chapter 830 of the 1987 Session Laws reads as rewritten:

"(d) The enactment of the School Facilities Finance Act of 1987 has created the need for a statistical adjustment of the assessed value of taxable real property in each county in light of the staggered real property revaluation cycle. This adjustment is necessary for the allocation of the proceeds of the Critical School Facility Needs Fund. This need is in addition to the adjustments required by the 1985 legislation that equalized the property tax burden of public service companies.

For the purpose of determining net collections under G.S. 105-213 for the fiscal year ending June 30, 1987, the sum of seventy-two thousand three hundred forty-five dollars (\$72,345) shall be deducted, in addition to the amounts specified by the second paragraph of G.S. 105-213(a), to fund the cost to the Department of Revenue for the 1987-88 fiscal year of making the sales-assessment ratio studies required by G.S. 105-284 and G.S. 105-289. For the purpose of determining net collections under G.S. 105-213 for the fiscal year ending June 30, 1989, the sum of eighty-nine thousand eight hundred fourteen dollars (\$89,814) shall be deducted, in addition to the amounts specified by the second paragraph of G.S. 105-213(a), to fund the cost to the Department of Revenue for the 1988-89 fiscal year of making the sales-assessment ratio studies required by G.S. 105-284 and G.S. 105-289. Such ~~deduction~~ deductions shall be expended as follows:

<u>PURPOSE</u>	<u>1987-88</u>	<u>1988-89</u>
Property Valuation Specialists	\$ 46,828	<u>\$ 66,293</u>
Accounting Clerk	12,267	<u>17,521</u>
Additional Travel Expense	6,000	<u>6,000</u>
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Total Recurring	65,095	<u>89,814</u>
Furniture and Equipment	2,250	
Data Processing Equipment	5,000	

Total Nonrecurring	7,250	
Total Expenditures	\$ 72,345	<u>\$ 89,814"</u>

PART XIII-----DEPARTMENT OF COMMUNITY COLLEGES

Requested by: Senator Ward, Representative Watkins

-----COMMUNITY COLLEGE FUNDS TRANSFERS

Sec. 59. (a) Sections 210 and 220 of Chapter 738 of the 1987 Session Laws are repealed.

(b) The State Board of Community Colleges shall establish policies and procedures for the transferring of funds within each community college's budget that will assure the General Assembly proper accountability for the use of such funds. It is the intent of the General Assembly that all community colleges achieve the goal of paying an average salary to curriculum instructors equal to or greater than the unit value established in the community college formula for curriculum instructors and that any transfers among line items in the budget allocation formula be minimized.

The State Board of Community Colleges shall make quarterly reports of all transfers approved in accordance with the State Board of Community Colleges' policies and procedures for transferring funds within each college's budget to the Joint Legislative Commission on Governmental Operations, the Chairmen of the House and Senate Base and Expansion Budget Committees, and to the Fiscal Research Division.

Requested by: Senator Ward, Representative Watkins

-----COMMUNITY COLLEGES PRESIDENTIAL SALARY STUDY

Sec. 60. The State Board of Community Colleges may revise the salary schedule for Community College Presidents from funds appropriated for the 1988-89 fiscal year to the Department of Community Colleges in keeping with the results of the consultant study on presidential salaries commissioned by the State Board of

Community Colleges. However, no salary revision for the elimination of inequities among Community College Presidents' salaries may be made until the State Board of Community Colleges has received the recommendations of the consultant study on Community College Presidential Salaries and reported to the Joint Commission on Governmental Operations, the Chairmen of the House and Senate Base and Expansion Budget Committees and the Fiscal Research Division on any proposed modifications.

Requested by: Representative Watkins, Senator Ward

-----ALLOCATION OF COMMUNITY COLLEGE FUNDS

Sec. 61. (a) Sections 211 and 215 of Chapter 738 of the 1987 Session Laws are repealed.

(b) Funds appropriated to the Department of Community Colleges for the 1988-89 fiscal year for purposes of State aid shall be allocated in accordance with procedures established by the State Board of Community Colleges for distribution to local community colleges and for departmental support. These procedures shall be in accordance with the formula changes recommended to the General Assembly by the State Board of Community Colleges at its March 10, 1988, board meeting. These funds may also be used to expand existing programs or innovative programs.

It is the intent of the General Assembly that the State Board of Community Colleges ensure that proper community service programs remain available to senior citizens without charge.

Notwithstanding G.S. 150B-13, the State Board of Community Colleges may, until six months from the effective date of this act, adopt temporary rules for college formula allocations without prior notice or hearing or upon any abbreviated notice or hearing the State Board of Community Colleges finds practicable. The State Board of Community Colleges shall begin normal rule-making procedures on permanent rules in accordance with Article 2 of Chapter 150B at the same time it adopts a temporary rule as authorized under this section. Temporary rules adopted under this section shall be published by the Director of the Office of Administrative Hearings in the North Carolina Register and shall be effective for a period of not longer than 180 days.

Requested by: Senator Ward, Representative Watkins

-----COMMUNITY COLLEGE TRUSTEES TRAINING COURSE

Sec. 62. Section 216 of Chapter 738 of the 1987 Session Laws reads as rewritten:

"Sec. 216. The General Assembly urges the North Carolina Association of Community College Trustees to continue providing and

to expand its training course for community college trustees and to offer the course on a regional basis. The General Assembly also urges all community college trustees, especially those serving their first term, to complete the course.

The General Assembly requests the North Carolina Association of Community College Trustees to submit an annual report to the State Board of Community Colleges and to the ~~1987 Session of the General Assembly, 1988 Regular Session, 1989 General Assembly~~ on the training programs provided and the number of trustees participating."

Requested by: Senator Ward, Representative Watkins

-----LITERACY EDUCATION

Sec. 63. Section 217 of Chapter 738 of the 1987 Session Laws reads as rewritten:

"Sec. 217. Literacy education funds, as defined by the State Board of Community Colleges, shall not be expended for any other purpose.

The Department of Community Colleges shall establish measurements of progress for the literacy program and provide technical assistance to institutions for implementation of these measurements. Each institution shall develop and submit a plan to the Department of Community Colleges for approval to show how it will increase and retain a significant percentage of its targeted population in the literacy program. Each plan shall address recruitment, assessment, retention, and evaluation of student progress. An assessment and retention specialist may be funded from direct instructional funds to assure implementation of this plan.

The State Board of Community Colleges is authorized to reallocate literacy education funds among institutions when an institution determines that it will not be able to utilize its full allocation.

Literacy education programs shall be provided in proper, on-campus and off-campus educational settings, as defined by the State Board of Community Colleges, in order to ensure accessibility to those in need of these programs.

The State Board of Community Colleges shall report by ~~May 1, 1988, to the 1987 Session of the General Assembly, 1988 Regular Session, June 1, 1989, to the 1989 General Assembly~~, on the progress made by each institution of the Community College system toward achieving significant enrollment increases and retention of students throughout the literacy education programs. The General Assembly encourages the Community College system at least to double the number of illiterate adults being served in literacy education programs."

Requested by: Senator Ward, Representative Watkins

-----CLASS REPORTING DATE FOR EXTENSION FTE

Sec. 64. (a) Section 218 of Chapter 738, 1987 Session Laws is repealed.

(b) Enrollments in literacy education and occupational extension courses within the Community College system shall be calculated for budget full-time equivalent (FTE) student purposes when one-half of the course has been completed. Only those students in attendance for at least one-half of the classes prior to the date of calculation shall be included in the calculation. Notwithstanding any other requirements under this section, literacy education and occupational extension courses may be reported for budget purposes on a contact hour basis.

Requested by: Senator Plyler

-----UNION COUNTY SATELLITE/LAND MATCH

Sec. 65. The funds appropriated to the Department of Community Colleges for the 1988-89 fiscal year for the Union County satellite of Anson and Stanly Community Colleges shall be allocated to Union County for the satellite facility. Land provided by Union County on a long-term lease basis shall satisfy the matching requirement for funds appropriated for the 1988-89 fiscal year for a Union County satellite of Anson and Stanly Community Colleges.

Requested by: Representative Nye

-----CAPE FEAR FUNDS/LAND MATCH

Sec. 66. Land provided by Pender County for the facility shall satisfy the matching requirement for funds appropriated for the 1985-86 fiscal year and the 1987-88 fiscal year for the Pender County Satellite of Cape Fear Community College.

Requested by: Representatives Bob Etheridge, Wicker

-----CENTRAL CAROLINA COMMUNITY RESOURCE CENTER

Sec. 67. The funds allocated to Central Carolina Community College in Section 19 of Chapter 795 of the 1987 Session Laws are reallocated to Lee County. These funds shall be used to build a Community Resource Center which will be operated by the college for the use of the county and the college. The county shall provide an additional two million dollars (\$2,000,000) for the construction of this facility.

Requested by: Representative Beall

-----HAYWOOD COMMUNITY COLLEGE/NO MATCH

Sec. 68. Funds appropriated for the 1988-89 fiscal year to the Department of Community Colleges for capital construction at Haywood Community College are not subject to any requirement that they be matched with non-State funds.

Requested by: Representative Locks

-----HOKE COUNTY SATELLITE

Sec. 70. The funds appropriated to the Department of Community Colleges for the 1988-89 fiscal year for the Hoke County satellite for Sandhills Community College shall be allocated to Hoke County for the satellite facility.

Requested by: Representative Nesbitt

-----MACON COUNTY SATELLITE FUNDS

Sec. 72. The funds appropriated to the Department of Community Colleges for the 1988-89 fiscal year for the Macon County satellite for Southwestern Community College shall be spent only for the regional fire training center.

Requested by: Representative Watkins

-----WATAUGA COUNTY SATELLITE

Sec. 73. The funds appropriated to the Department of Community Colleges for the 1988-89 fiscal year for the Watauga County satellite for Caldwell Community College and Technical Institute shall be allocated to Watauga County for the satellite facility.

Requested by Representative Watkins

-----ALLOCATION OF COMMUNITY COLLEGE FUNDS

Sec. 74. Section 19 of Chapter 795 of the 1987 Session Laws reads as rewritten:

"Sec. 19. Funds are appropriated to the Department of Community Colleges in Section 4 of this act in the sum of twenty-five million eight hundred eighty-eight thousand one hundred twenty-five dollars (\$25,888,125) for the 1987-88 fiscal year and the sum of ~~nineteen million four hundred sixty-one thousand two hundred sixty-six dollars (\$19,461,266)~~ twenty-nine million three hundred forty-six thousand seven hundred twenty-six dollars (\$29,346,726) for the 1988-89 fiscal year for capital improvements. These funds shall be allocated as follows:

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<u>Institution</u>	<u>Project</u>	<u>1987-88</u>	<u>1988-89</u>
.01 Central Piedmont CC	High Technology Center	\$ 1,586,275	<u>\$-0-</u> <u>\$1,000,000</u>
.02 TC of Alamance	Complete Classroom Lab Building	450,000	<u>400,000</u> <u>843,500</u>
.03 Mayland TC	LRC, Shop/Renovations	500,000	544,750
	<u>Emergency Water and Sewer Project.</u> <u>\$170,000 to be allocated from Water and Sewer Funds in Office of State Budget and Management</u>		
.04 Wayne CC	Vocational & Social Sciences Building	1,000,000	1,000,000
	<u>Classroom building</u>	-	<u>900,000</u>
.05 Pitt CC	<u>Vocational Building</u>	510,170	<u>200,830</u>
.06 Wake TC	Health Education Building	1,000,000	1,175,000
.07 Rowan TC	General Purpose Building-Cabarrus Co.	-	<u>500,000</u> <u>1,000,000</u>
.08 Sampson TC	Complete 2nd Floor Adult Education/ Student Center	251,250	-
.09 Sandhills CC	Complete Library/ Performing Arts and provide for		

	increased costs of project	400,000	-
	<u>Hoke County Satellite</u>	<u>-</u>	<u>100,000</u>
.10	Cape Fear TI Satellite in Pender County	300,000	-
.11	Craven CC Student Activity Center	300,000	<u>300,000</u> <u>1,050,000</u>
.12	Caldwell CC & TI Technical Skills Building	750,000	<u>740,000</u> <u>640,000</u> <u>100,000</u>
	<u>Watauga County Satellite</u>	<u>-</u>	
.13	Vance- Granville CC Small Business Ctr.	250,000	500,000
	Granville Satellite	300,000	-
	<u>Repay loan</u>	<u>-</u>	<u>350,000</u>
.14	Randolph TC Planning Money	200,000	700,000
.15	Nash TC Student Center/ Library	-	500,000
.16	Blue Ridge TC Library/Student Center	-	- 588,000
	<u>Transylvania Satellite</u>	<u>-</u>	<u>75,000</u>
.17	Cleveland TC Student Activities Center	1,300,000	1,300,000
.18	Wilkes CC Skills Center & Power Mechanics Renovations	700,000	<u>700,000</u>
.19	Halifax CC Student Development Ctr. Completion	-	400,000
.20	Forsyth TC Vocational Education Building	850,000	-

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.21	Isothermal CC	Funds to complete project currently under construction	200,000	-
		Polk County Satellite	250,000	-
		<u>Land Purchase</u>	<u>-</u>	<u>121,000</u>
.22	Rockingham CC	Laboratory/Classroom Building	-	757,826
.23	Edgecombe TC	LRC/Classroom-Tarboro	-	600,000
		<u>Complete Library/Classroom Building</u>	<u>-</u>	<u>330,000</u>
.24	Tri-County CC	Classroom/Lab Building Phase II and for needed sewer line	700,000	500,000
		<u>Complete Classroom, Office Shop Addition</u>	<u>-</u>	<u>316,000</u>
.25	Mitchell CC	Renov. for Continuing Education Center	500,000	-
.26	Martin CC	Equine Training Center	900,440	-
.27	Bladen TC	High Tech. Bldg.	150,000	-
.28	Western Piedmont CC	Complete Learning Resource Center facilities	750,000	-
.29	Roanoke-Chowan CC	Complete & equip. Indust. Tech./Small Business Center	-	1,000,000

.30	Asheville- Buncombe TC	Voc. Additions & Renovations	1,500,000	1,500,000
		<u>Library Planning</u>	<u>-</u>	<u>150,000</u>
		Madison Satellite	400,000	-
.31	Carteret TC	Renovate recently acquired bldg.	347,975	-
.32	Central Carolina TC	Student Activity/ Performing Arts Center	-	1,000,000
	Harnett Satellite	Equip. Laser-Electro Optics Building	479,000	828,520
		<u>Additional Funds for Satellite</u>	<u>-</u>	<u>50,000</u>
.33	Coastal Carolina CC	Business Technology Building	500,000	500,000
.34	College of the Albemarle	Complete current project and repay Rockingham CC	500,000	500,000
.35	Haywood TC	Regional Education Services Center	1,487,300	1,487,300
		<u>Student Activities Building Completion</u>	<u>-</u>	<u>750,000</u>
.36	James Sprunt TC	Renovations & complete Student Center	200,000	-
.37	Johnston TC	Increased costs for current project	500,000	-
		<u>Renovate Library</u>	<u>-</u>	<u>100,000</u>

CHAPTER 1086

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.38	Gaston College	Planning Funds	442,000	-
.38	(1) Funds appropriated herein for Gaston College shall be used for the purchase of equipment for the Lincoln School of Technology			
.39	Fayetteville TI	Equipping a center for business and industry and a center for applied technology	1,000,000	1,000,000
.40	Lenoir CC	Aviation Facility & Classroom Bldg. Greene County Satellite	- 50,000	939,000 -
.41	Durham TC	Satellite in northern Durham County	500,000	-
.42	Richmond TC	Scotland County Satellite	184,500	-
		Repay Rockingham CC	80,000	-
.43	Robeson TC	Complete current project	187,715	-
.44	Sandhills CC	Increased costs for Library/Music/Audiovisual Bldg.	136,500	-
.45	Piedmont Tech.	Repay Rockingham CC Adult Learning Center - Planning	350,000 -	- <u>100,000</u>
	Caswell Satellite	Start-up funds	50,000	-

.46	Stanly TC	Planning/Learning Resource Center	250,000	-
.47	Montgomery TC	Planning/Specialty Lab Building	100,000	-
.48	Anson TC	Water and Sewer Line	1,500,000	-
.49	Southwestern TC	Equipping Regional Allied Health Center Macon County Satellite - <u>Regional Fire Training</u> Center	945,000 - -	- <u>350,000</u>
		Macon County Satellite	100,000	-
.50	Anson/Stanly TC	<u>Union County Satellite</u>	-	<u>1,000,000</u>
.51	Guilford TC	<u>Aviation/Transportation Building</u>	-	<u>1,700,000</u>
.52	Davidson CC	<u>Emergency Water and Sewer Project - \$450,000 to be allocated from Water and Sewer Funds in Office of State Budget and Management</u>		
.53	Vocational Textile School	<u>Safety, Energy and Handicap Code Requirements (\$684,300) to be allocated from repairs and renovations</u>		

	<u>reserve in Office of State Budget and Management.</u>	
<u>.54 Beaufort CC</u>	<u>Planning/Classroom Building</u>	<u>100,000</u>
	-	

The institutions may use the funds allocated to them by this section for other capital purposes if they deem it appropriate to do so."

PART XIV-----DEPARTMENT OF PUBLIC EDUCATION

Requested by: Representative Barnes
-----STUDENT ASSESSMENT/GRADES 1 AND 2

Sec. 77. (a) G.S. 115C-174.11(a) reads as rewritten:

"(a) Annual Testing Program. In order to assess the effectiveness of the educational process, and to ensure that each pupil receives the maximum educational benefit from the educational process, the State Board of Education shall implement an annual statewide testing program in basic subjects. It is the purpose of this testing program to help local school systems and teachers identify and correct student needs in basic skills rather than to provide a tool for comparison of individual students or to evaluate teacher performance. The annual testing program shall be conducted each school year for the third, sixth and eighth grades. Students in these grade levels who are enrolled in special education programs or who have been officially designated as eligible for participation in such programs may be excluded from the testing program if special testing procedures are required for testing such students. The State Board of Education shall select annually the type or types of tests to be used in the testing program.

The State Board of Education shall also adopt and provide to the local school administrative units developmentally appropriate individualized assessment instruments consistent with the Basic Education Program for the first and second grades, rather than standardized tests. Local school administrative units may use these assessment instruments provided to them by the State Board for first and second grade students, and shall not use standardized tests. The State Board of Education shall report to the Joint Legislative Commission on Governmental Operations prior to May 1, 1988, and to the Senate and House Appropriations Committees on Education prior to March 1, 1989, on the assessment instruments it develops."

(b) Funds in the amount of one hundred fifty-two thousand dollars (\$152,000) appropriated to the Department of Public Education for the 1988-89 fiscal year are transferred from Fund 1500 (Research

and Educational Media) to Fund 1600 (Instructional Services). These funds shall be used for developmentally appropriate individualized assessment instruments for the first and second grade instead of for standardized testing for the first and second grade.

Requested by: Representatives Watkins, Bob Etheridge

-----SUMMER SCHOOL/TWELFTH GRADE

Sec. 78. Funds appropriated to the Department of Public Education for the 1987-88 fiscal year and for the 1988-89 fiscal year to provide remedial summer school programs may be used by local boards of education in the summer of 1988 to provide summer school to students in the twelfth grade as well as to students in grades one through eleven. Funds appropriated for this purpose for the 1988-89 fiscal year shall be used by local boards of education in the summer of 1989 to provide remedial summer schools for students in grades one through twelve.

Local boards of education may also use funds appropriated for the 1987-88 fiscal year and for the 1988-89 fiscal year for remedial summer school programs to provide a summer course to students to help them prepare for the Scholastic Aptitude Test.

Requested by: Representatives Watkins, Bob Etheridge, Senator Ward

-----STAFF DEVELOPMENT

Sec. 79. (a) Section 203 of Chapter 738 of the 1987 Session Laws reads as rewritten:

"Sec. 203. (a) Funds appropriated in Section 2 of this act to the Department of Public Education for the 1987-88 fiscal year to provide funds to local school administrative units for staff development at the local level shall remain available for expenditure until September 30, 1988.

~~(b) Funds appropriated in Section 2 of this act to the Department of Public Education for the 1988-89 fiscal year and subsequent fiscal years to provide funds to local school administrative units for staff development at the local level shall become available for expenditure on September 1, July 1 of that each fiscal year and shall remain available for expenditure until August 31, September 30 of the next fiscal year."~~

(b) Of the funds appropriated to the Department of Public Education for staff development at the local level, the State Board of Education shall allocate two hundred eighty thousand dollars (\$280,000) for staff development of school food service personnel.

Requested by: Representatives Watkins, Bob Etheridge, Senator Ward

-----TEXTBOOK SERVICES/ACCOUNTING SUPPORT

Sec. 80. Section 175 of Chapter 738 of the 1987 Session Laws reads as rewritten:

"Sec. 175. The Department of Public Education may use funds appropriated to it for the 1987-88 fiscal year and the 1988-89 fiscal year for the Textbook Fund to provide for a managing accountant III to ensure proper ordering, distributing, inventorying, and accounting for the business operation of the Textbook Services Area."

Requested by: Representatives Watkins, Bob Etheridge, Senator Ward

-----SCHOOL CUSTODIAN TRAINING PROGRAM

Sec. 81. Section 1 of Chapter 794 of the 1987 Session Laws reads as rewritten:

"Section 1. The Department of Public Education may use up to one-fourth of one percent (.25%) of the funds appropriated to it for school custodians for the 1987-88 fiscal year ~~in Chapter 738, Session Laws of 1987~~ and for the 1988-89 fiscal year to employ personnel to establish and conduct a training program for custodians. This training program shall be performed on a local or regional basis."

Requested by: Representatives Watkins, Bob Etheridge, Senator Ward

-----FLEXIBILITY IN THE USE OF SCHOOL FUNDS/STUDY

Sec. 83. The Joint Legislative Commission on Governmental Operations shall study the feasibility of allowing local school administrative units more flexibility in the use of State-allotted funds for the operation of the public schools. The Commission shall make its recommendations, if any, to the 1989 General Assembly.

Requested by: Representatives Watkins, Bob Etheridge

-----TEACHER CERTIFICATION STAFF

Sec. 84. The Controller of the State Board of Education shall transfer, at the request of the Department of Public Instruction, personnel positions and personnel support within the Department of Public Instruction sufficient to satisfy the emergency and backlog existing in the teacher certification process.

Requested by: Representative Bob Etheridge, Senator Ward

-----TEACHERS WITH MASTERS DEGREES/SALARY INCREASE

Sec. 85. (a) Proviso (1) of Section 19.1(d) of Chapter 1137 of the 1979 Session Laws (Second Session 1980), as rewritten by Chapter 1053 of the 1981 Session Laws, Section 46 of Chapter 757 of the 1985 Session Laws, Section 57 of Chapter 1014 of the 1985

Session Laws (Regular Session 1986), and Section 26 of Chapter 876 of the 1987 Session Laws reads as rewritten:

"(1) in the case of a teacher who was awarded a higher teaching certificate ~~from after September 1, 1980, through June 30, 1987,~~ as a result of a receipt of a masters degree, such person shall be entitled to credit for all teaching experience earned previously, recognizable under State Board of Education regulations, in determining placement on the salary schedule;"

(b) The Department of Public Education shall use funds appropriated to it for the 1988-89 fiscal year to implement subsection (a) of this section.

Requested by: Representative Bob Etheridge

-----SCHOOL FINANCE PILOT PROJECT CONTINUED

Sec. 86. The State Board of Education shall continue the School Finance Pilot Project, established by the Board pursuant to Section 86, Chapter 761 of the 1983 Session Laws, and continued by Chapter 646 of the 1985 Session Laws, through the 1988-89 fiscal year. Each participating pilot project shall submit to the State Board of Education prior to the September 1988 meeting (i) a statement of measurable goals it intends to accomplish with the budget flexibility, and (ii) a statement of what budget flexibility it requests and how the requested flexibility would change its budget. The participating pilot projects may not deviate from the proposals authorized for them by the State Board at its September meeting. The State Board shall report to the Joint Legislative Commission on Governmental Operations on the September reports of the participating pilot projects and on the budget flexibility the State Board of Education authorized for each participating pilot project for the 1988-89 fiscal year.

The participating pilot projects shall report to the State Board of Education at its March 1989 meeting on how the budget flexibility authorized for them increased educational opportunities and educational achievement for their students. The State Board of Education shall report these results to the General Assembly in March 1989.

Requested by: Representative Bob Etheridge, Senator Ward

-----USE OF FUNDS FOR TEACHERS

Sec. 87. Section 209(b) of Chapter 738 of the 1987 Session Laws reads as rewritten:

"(b) When a school has too few students to provide a teacher to offer a class in a curricular offering in accordance with the Basic Education Program, the local board of education may, with the

approval of the State Board of Education, use the funds allocated to it for expanded curricular offerings to otherwise provide the curricular offering at that school, as called for in the Basic Education Program. The State Board of Education shall monitor and report concerning the alternative use of these funds by February 1 to the President of the Senate, the Speaker of the House of Representatives, the Joint Legislative Commission on Governmental Operations, and the Fiscal Research Division.

This subsection applies only to the 1987-88 fiscal year and the 1988-89 fiscal year."

Requested by: Representative Bob Etheridge

-----ROBESON SCHOOL TRANSITION FUNDS

Sec. 88. The Department of Public Education shall, upon the request of the Interim Board of Education for the Public Schools of Robeson County, allot to the Interim Board up to two hundred thousand dollars (\$200,000) for the 1988-89 fiscal year. The Interim Board shall use these funds to prepare for and implement the merger mandated in Chapter 605 of the 1987 Session Laws and to otherwise carry out its responsibilities under that act, and the Interim Board may contract for professional, clerical, and other assistance in accomplishing same.

The amount allotted to the Interim Board for the 1988-89 fiscal year shall be deducted from the amount the Interim Board would have received during the 1989-91 fiscal biennium for central office personnel to maintain for two years after the merger the pre-merger allotment of central office personnel.

Requested by: Senator Ward

-----CLASS SIZE

Sec. 89. (a) G.S. 115C-301 is rewritten to read:

" § 115C-301. *Allocation of teachers; class size.*-(a) Request for Funds. The State Board of Education, based upon the reports of local boards of education and such other information as the State Board may require from local boards, shall determine for each local school administrative unit the number of teachers and other instructional personnel to be included in the State budget request.

(b) Allocation of Positions. The State Board of Education is authorized to adopt rules to allot instructional personnel and teachers, within funds appropriated.

(c) Maximum Class Size. The average class size for each grade span in a local school administrative unit shall at no time exceed the funded allotment ratio of teachers to students. At the end of the

second school month and for the remainder of the school year, the size of an individual class shall not exceed the allotment ratio by more than three students. At no time may the General Assembly appropriate funds for higher unit-wide class averages than those for which State funds were provided during the 1984-85 school year.

(d) **Maximum Teaching Load.** Students shall be assigned to classes so that from the 15th day of the school year through the end of the school year the number of students for whom teachers in grades 7 through 12 are assigned teaching responsibilities during the course of the day is no more than 150 students, except as provided in subsection (g) of this section.

(e) **Alternative Maximum Class Sizes.** The State Board of Education, in its discretion, may set higher maximum class sizes and daily teaching loads for classes in music, physical education, and other similar subjects, so long as the effectiveness of the instructional programs in those areas is not thereby impaired.

(f) **Second Month Reports.** At the end of the second month of each school year, each local board of education, through the superintendent, shall file a report for each school within the school unit with the State Board of Education. The report shall be filed in a format prescribed by the Controller of the State Board of Education and shall include the organization for each school, the duties of each teacher, the size of each class, the teaching load of each teacher, and such other information as the State Board or Controller may require. As of February 1 each year, local boards of education, through the superintendent, shall report all exceptions to individual class size and daily teaching load maximums that occur at that time.

(g) **Waivers and Allotment Adjustments.** Local boards of education shall report exceptions to the State Board of Education as provided in G.S. 115C-47(10), and shall request allotment adjustments or waivers from the standards set out above. Within 45 days of receipt of reports, the State Board of Education, within funds available, may allot additional positions or grant waivers for the excess class size or daily load:

- (1) If the exception resulted from (i) exceptional circumstances, emergencies, or acts of God, (ii) large changes in student population, (iii) organizational problems caused by remote geographic location, or (iv) classes organized for a solitary curricular area, and
- (2) If the local board cannot organizationally correct the exception.

All allotment adjustments and waivers submitted under this provision shall be reported to the Director of the Budget and to the

General Assembly by May 15 of each year.

(h) State Board Rules. The State Board of Education shall adopt rules necessary for the implementation of class size and teaching load provisions.

(i) Penalty for Noncompliance. If the State Board of Education determines that a local superintendent has willfully failed to comply with the requirements of this section, no State funds shall be allocated to pay the superintendent's salary for the period of time the superintendent is in noncompliance."

(b) G.S. 115C-47(10) is rewritten to read:

"(10) To Assure Appropriate Class Size. It shall be the responsibility of local boards of education to assure that the class size and teaching load requirements set forth in G.S. 115C-301 are met. Any teacher who believes that the requirements of G.S. 115C-301 have not been met shall make a report to the principal and superintendent, and the superintendent shall immediately determine whether the requirements have in fact not been met. If the superintendent determines the requirements have not been met, he shall make a report to the next local board of education meeting. The local board of education shall take action to meet the requirements of the statute. If the local board cannot organizationally correct the exception and if any of the conditions set out in G.S. 115C-301(g)(1) exist, it shall immediately apply to the State Board of Education for additional personnel or a waiver of the class size requirements, as provided in G.S. 115C-301(g).

Upon notification from the State Board of Education that the reported exception does not qualify for an allotment adjustment or a waiver under provisions of G.S. 115C-301, the local board, within 30 days, shall take action necessary to correct the exception.

At the end of the second month of each school year, the local board of education, through the superintendent, shall file a report with the State Board of Education, in a format prescribed by the Controller of the State Board of Education, describing the organization of each school, the duties of each teacher, the size of each class, and the teaching load of each teacher. As of February 1 each year, local boards of education, through the superintendent, shall report all exceptions to individual class size and daily teaching load maximums that exist at that time.

In addition to assuring that the requirements of G.S. 115C-301 are met, each local board of education shall also have the duty to provide an adequate number of classrooms to meet the requirements of that statute."

(c) G.S. 115C-276(k) is rewritten to read:

"(k) To Submit Organization Reports and Other Information to the State Board. Each year the superintendent of each local school administrative unit shall submit to the State Board of Education statistical reports, certified by the chairman of the board of education, showing the organization of the schools in his unit and any additional information the State Board may require. At the end of the second month of school each year, local boards of education, through the superintendent, shall report school organization, employees' duties, class sizes, and teaching loads to the State Board of Education as provided in G.S. 115C-47(10). As of February 1 each year, local boards of education, through the superintendent, shall report all exceptions to individual class size and daily teaching load maximums that occur at that time."

(d) G.S. 115C-82 is repealed.

Requested by: Representative Watkins

-----PROGRAMS FOR ACADEMICALLY GIFTED

Sec. 90. The Department of Public Education shall use the sum of three million dollars (\$3,000,000) of the funds available to it for the 1988-89 fiscal year for programs for academically gifted students.

The State Board of Education shall study the effectiveness of all programs for academically gifted students. As part of this study, it shall consider the effectiveness of enrichment programs as opposed to academic acceleration and academically advanced courses.

The State Board of Education shall also reassess its guidelines for admission into programs for academically gifted students.

The State Board of Education shall report to the Joint Legislative Commission on Governmental Operations on a quarterly basis on its progress in carrying out the provisions of this section.

Requested by: Senator William Martin

-----DROPOUT PREVENTION/IN-SCHOOL SUSPENSION

Sec. 91. Of the funds appropriated to the Department of Public Education for the 1988-89 fiscal year for the Dropout Prevention/In-School Suspension Program, the sum of one hundred fifty thousand dollars (\$150,000) may be used to fund eight pilot public/private educational compacts to bring together on an ongoing basis representatives from public education, community colleges, higher education, and business and industry leaders to determine how to improve attendance, prevent dropping out of school, increase academic performance, and increase participation in higher education and the workforce by at-risk students. The funds may also be used to fund eight parental involvement pilot programs, and to provide for operating

costs, workshops, and committee meetings for the State Department of Public Instruction's dropout prevention staff.

The State Board of Education may adopt rules governing the use of these funds.

Requested by: Representative Watkins

-----SCHOOL OFFICE SUPPORT PERSONNEL

Sec. 92. (a) Effective July 1, 1989, no full-time public school employees in office support personnel positions paid in whole or in part from State funds may be paid less than one thousand eighty-four dollars (\$1,084) per month. The average salary for such employees shall be one thousand one hundred sixty-seven dollars (\$1,167) per month. Less than full-time employees shall receive no less than a pro rata amount of the minimum salary for full-time employees. For the purpose of this section, full-time employees shall be designated as those who are employed 40 hours a week.

The State Board of Education shall estimate the additional cost, if any, of implementing this subsection and shall request any additional funds that may be required in its 1989-91 budget request to the General Assembly.

(b) The State Board of Education shall recommend a new salary schedule for such employees to the 1989 General Assembly, prior to March 1, 1989.

Requested by: Representative Watkins, Senator Royall

-----UNIFORM EDUCATION REPORTING SYSTEM FUNDS

Sec. 93. Of the funds appropriated to the Department of Public Education for the 1988-89 fiscal year, the sum of six million eight hundred seventy thousand dollars (\$6,870,000) shall be used to complete the implementation of the Uniform Education Reporting System by September 1, 1989. These funds shall be used by the State Board of Education to purchase financial management information systems services, equipment, software, and data communications capabilities that meet all of the standards of the Uniform Education Reporting System.

The State Board shall report quarterly to the Joint Legislative Commission on Governmental Operations on the progress made in implementing the Uniform Education Reporting System. The reports shall constitute a full management and status report on the Uniform Education Reporting System project.

Requested by: Representative Bob Etheridge

-----SCHOOL TRANSPORTATION STUDY

Sec. 94. The Controller of the State Board of Education may

use up to fifty thousand dollars (\$50,000) of public school transportation funds to conduct an operational study to examine the effective and efficient use of funds appropriated by the General Assembly in support of the school transportation system.

The Controller shall report the results of the study to the Education Subcommittee of the Joint Legislative Commission on Governmental Operations by February 1, 1989.

Requested by: Representative Watkins

-----FUNDING OF SCHOOL FACILITIES/STUDIES

Sec. 95. The Joint Legislative Commission on Governmental Operations shall: (i) study the feasibility of the State building and maintaining all public school facilities; and (ii) perform an inventory and survey of abandoned school buildings to determine the feasibility of using the buildings to meet other community needs. The Commission shall report its recommendations to the 1989 General Assembly as soon as it has completed its study.

Requested by: Representative Holt

-----PHYSICAL EDUCATION TEACHER CERTIFICATION

Sec. 96. G.S. 115C-296(a) reads as rewritten:

"(a) The State Board of Education shall have entire control of certifying all applicants for teaching positions in all public elementary and high schools of North Carolina; and it shall prescribe the rules and regulations for the renewal and extension of all certificates and shall determine and fix the salary for each grade and type of certificate which it authorizes: Provided, that the State Board of Education shall require each applicant for an initial certificate or graduate certificate to demonstrate his academic and professional preparation by achieving a prescribed minimum score at least equivalent to that required by the Board on November 30, 1972, on a standard examination appropriate and adequate for that purpose: Provided, further, that in the event the Board shall specify the National Teachers Examination for this purpose, the required minimum score shall not be lower than that which the Board required on November 30, 1972: Provided, further, that the State Board of Education shall not decrease the certification standards for physical education teachers or health education teachers below the standards in effect on June 1, 1988."

Requested by: Representative Nesbitt

-----SUPERINTENDENTS SALARY/101 RULE CLARIFIED

Sec. 97. Section 19.1(g) of Chapter 1137 of the 1979 Session Laws (Second Session 1980) reads as rewritten:

"(g) Superintendents in each local school unit shall receive in State salary at least one percent (1%) more than the highest paid principal receives in State salary in that local school unit. The amount the superintendent receives in State salary under this section may not be decreased during a school year."

Requested by: Senator Plyler, Representative Watkins

-----EMERGENCY FUNDS/PUBLIC SCHOOLS

Sec. 97.1. (a) To the extent that funds are available, the Department of Public Education shall allocate to the Johnston County Board of Education up to three hundred thousand dollars (\$300,000) of the overcollections from the School Facilities Finance Act of 1987 to provide mobile classroom units for students displaced by a fire that destroyed Four Oaks School in Johnston County.

Notwithstanding any other provision of law, the Johnston County Board of Education may negotiate for the purchase of mobile classroom units to meet this emergency situation.

(b) When the Johnston County Board of Education no longer needs these mobile classroom units, Johnston County shall transfer title to the units to the State of North Carolina. The State Board of Education shall assign these mobile classroom units to other schools as it deems appropriate.

Requested by: Senator Plyler, Representative Watkins and Bob Etheridge

-----SCHOOL FACILITY STANDARDS

Sec. 97.2. Whereas, it is considered to be in the best interests of all citizens of North Carolina that minimum school facility standards be adopted for the construction and renovation of school facilities in North Carolina, the North Carolina General Assembly, having passed, since 1985, numerous new educational initiatives and having begun to assist directly the counties in providing for these needs as a result of the initiatives, and whereas the legal duty and authority to develop minimum standards has been placed on the State Board of Education and whereas they have adopted minimum standards, and whereas the county commissioners of North Carolina, whose responsibility and legal authority to provide funds for the construction and renovation of school facilities in North Carolina other than the assistance rendered by the State, and the local school boards whose responsibility it is to construct, renovate and maintain local school facilities, desire to consult with the State Board in a review of the standards adopted, it is therefore requested that the State Board review the adopted school facility standards and consult with the appropriate groups in regard to the minimum standards adopted to the end that all appropriate groups

have sufficient opportunity to consult with the Board on the minimum standards adopted. And in the event the Board feels that any revisions would better serve the State of North Carolina that action can be taken by the State Board of Education. It is requested that this procedure be completed by December 15, 1988. Additionally, the State Board of Education has publicly agreed to be lenient in its consideration of requests for deviations from the minimum standards until the proper groups have had the opportunity to consult with the Board.

Requested by: Senator Ward

-----BEFORE/AFTER SCHOOL PROGRAMS

Section 97.3. Of the funds appropriated to the Department of Public Education for the 1988-89 fiscal year the sum of four million two hundred thousand dollars (\$4,200,000) shall be used to establish a program of incentive grants of thirty thousand dollars (\$30,000) each for local school administrative units to provide before and after school care for school age children. Of these funds, the sum of two million one hundred thousand dollars (\$2,100,000) shall be used for programs in grades kindergarten through five and two million one hundred thousand dollars (\$2,100,000) shall be used for programs in grades six through nine. Local programs shall be designed to become self-supporting through parent fees, grants, and community resources.

Local boards of education shall apply for the funds before October 1, 1988, on forms provided by the Superintendent of Public Instruction. The Division of School Community Relations of the Department of Public Instruction shall receive applications and shall provide technical assistance and training to local boards of education applying for or receiving these funds.

Local boards of education may operate the program or may contract with nonprofit organizations and other governmental entities for the operation of a program. Local units may use these funds to expand existing programs or start new programs.

Funds received for before and after school care under this program shall remain available until June 30, 1991. Funds received for a program for grades kindergarten through five may be used for a program for grades six through nine and funds received for a program for grades six through nine may be used for a program for grades kindergarten through five so long as the intent of the grant application is met.

The programs shall charge fees to parents. Fees shall be affordable and consideration given to parents' ability to pay.

The State Board of Education shall encourage local boards of education to seek other available community resources, such as Social Services Block Grant funds or State funds for day care, to pay for their programs.

The Department of Public Instruction shall report to the General Assembly in March of 1989 on the progress of local school administrative units in implementing local programs.

Requested by: Senator Rand

-----PROJECT TEACH FUNDS

Sec. 97.4. Of the funds appropriated to the Department of Public Education for the 1988-89 fiscal year, the sum of seventy-three thousand dollars (\$73,000) may be used to:

- (1) Maintain the Project Teach Initiative in the Robeson, Pitt, Cumberland, Warren, Halifax, and Northampton County Schools and the Durham and Greensboro City Schools;
- (2) In at least two of those counties, to expand the project to focus on parents of students in the seventh grade so as to involve parents in the coaching and support of promising minority young people; and
- (3) To expand Project Teach into at least two additional local school administrative units.

The Department of Public Instruction shall administer the project and may not contract with any public or private entity other than local school administrative units for administration of the project.

PART XV-----UNIVERSITY OF NORTH CAROLINA

Requested by: Senators Barker, Guy

-----SCALLOP RESEEDING/AQUACULTURE

Sec. 98. (a) It is the policy and goal of the State:

- (1) To develop the ability in North Carolina to reseed bay scallops as a contingency for replenishing scallops after natural disasters such as the red tide and hurricanes, or other disasters such as spills of toxic materials; and
- (2) To demonstrate the feasibility of commercial bay scallop aquaculture.

(b) The University of North Carolina Sea Grant College Program shall develop and implement a two year program to test the feasibility of replenishing bay scallop populations through reseedling and of initiating bay scallop aquaculture. The University of North Carolina shall make an interim report on the results of this program to the 1989 General Assembly and shall make a final report to the 1989 General Assembly, Regular Session 1990.

(c) The Board of Governors of The University of North Carolina shall allocate forty-five thousand dollars (\$45,000) of the funds appropriated to it for the 1988-89 fiscal year to The University of North Carolina Sea Grant College Program at North Carolina State University to implement the program established by this section.

Requested by: Representative Ed Warren
 -----ECU MED SCHOOL MEDICARE-MEDICAID
 REIMBURSEMENT

Sec. 99. Section 231(b) of Chapter 738 of the 1987 Session Laws reads as rewritten:

"(b) This section shall remain effective until ~~June 30, 1988~~ June 30, 1989."

Requested by: Representative Nesbitt, Senator Ward
 -----SHIFT PREMIUM PAY/NURSING SALARIES

Sec. 100. (a) Section 9 of Chapter 738 of the 1987 Session Laws reads as rewritten:

"Sec. 9. Shift premium pay shall be paid to all State employees in non-medically related positions through salary grade 69 and to all State employees in medically related positions through salary grade ~~73, 75,~~ subject to the provisions of this section. Shift premium pay for employees in medically related positions shall be limited to ~~ten percent (10%)~~ a maximum of twenty percent (20%) of salary ~~or one dollar (\$1.00) per hour, whichever is greater.~~ The State Personnel Commission shall set the higher shift premium pay for employees in medically related positions only after finding that the higher pay is necessary to meet existing competition from private employers, for weekday nights and to a maximum of thirty percent (30%) of salary for weekend nights.

The State Personnel Commission may not adopt a shift premium pay schedule higher than those stated in this section unless the higher schedule is first approved by the General Assembly and funds are appropriated to implement the higher pay. The Commission may, however, request authorization to pay shift premium pay to employees in grades above those stated in this section when the Commission determines that there is a critical shortage of employees in a position because of competition from private employers who pay shift premium pay for that type work. Such a request shall be made to the General Assembly if it is in session; otherwise, the request shall be approved by the Director of the Budget with the advice of the Advisory Budget Commission.

The State Personnel Commission shall strictly enforce its regulation requiring that employees who receive shift premium pay be regularly

assigned to night or shift work. In enforcing the regulation the Commission shall strictly construe 'regularly' so that shift premium pay shall not be paid to employees temporarily placed on a shift receiving such pay."

(b) Funds in the amount of three million five hundred thousand dollars (\$3,500,000) appropriated for the 1988-89 fiscal year and included in Section 2 of this act for a Reserve for Salary Adjustments may be used for a salary range revision for nurses and licensed practical nurses, for additional requirements for shift premium pay for nurses, to fund permanent weekend, evening, and night pay plans for nurses, and to adjust nurses' salaries to address internal inequities and job performance. These funds may only be used with the approval of the Office of State Budget and Management.

Requested by: Representative Watkins

-----UNIVERSITY FUND TRANSFER FOR CERTAIN PROGRAM AREAS

Sec. 101. From the 1988-89 base budget appropriations to the 16 constituent institutions of The University of North Carolina, the Board of Governors may transfer appropriations among the constituent institutions in the amount of five million five hundred thousand dollars (\$5,500,000) in the utilities budgets to fund urgent University-wide needs in the program areas of computing, medical education, inter-institutional programs, basic program support, and physical plant operations and repairs.

Requested by: Representative Ed Warren

-----ECU BUDGET CODE DIVISION

Sec. 102. The one hundred million nine hundred three thousand six hundred forty-one dollars (\$100,903,641) appropriated for the 1988-89 fiscal year and included in Section 2 of this act, for current operations to East Carolina University shall be divided into two budget operating codes as follows:

East Carolina University

- a. Academic Affairs \$58,785,253
- b. Health Affairs \$42,118,388

The "Health Affairs" operating budget code includes the School of Medicine and related operations.

Requested by: Senator Royall

-----AUTISTIC ADULTS FUNDS

Sec. 103. Section 24 of Chapter 795 of the 1987 Session Laws reads as rewritten:

"Sec. 24. Of the funds appropriated in Section 4 of this act to the

Board of Governors of The University of North Carolina for Division TEACCH of the School of Medicine at The University of North Carolina at Chapel Hill for the 1987-88 fiscal year the sum of six hundred thirty-eight thousand dollars (\$638,000) shall be used for purchasing and improving property for a special living and training center for adult persons with autism who have aged beyond public school services; provided that such funds shall be expended only upon certification by the Office of State Budget and Management that appropriate provisions for transfer of title to the property have been made. Of these funds, no more than thirty-nine thousand dollars (\$39,000) may be expended for services provided by the Autistic Foundation of North Carolina, Inc., in planning and development of the center."

Requested by: Senators Seymour, Walker, Royall

-----REGIONAL TEACCH CENTER

Sec. 105. Of the funds appropriated to The University of North Carolina at Chapel Hill, Division of Health Affairs, for the 1988-89 fiscal year and included in Section 2 of this act, two hundred twenty-six thousand eight hundred fifty-six dollars (\$226,856) shall be used to establish a pilot regional TEACCH Center to serve the Greensboro, High Point, and Winston-Salem area. This project shall be funded by the transfer of General Fund appropriations from physical plant operations made possible by the increased amount of the thirty percent (30%) of overhead receipts transferred into that budget purpose.

Requested by: Representatives Watkins and Bob Etheridge

-----CENTENNIAL CAMPUS CENTER

Sec. 107. Of the funds appropriated for fiscal year 1988-89 by this act to the Office of State Budget and Management for the Centennial Campus Center at North Carolina State University, the sum of one million five hundred thousand dollars (\$1,500,000) is for planning and development of a sports arena on the Centennial Campus or at another location to be determined by the Board of Trustees of North Carolina State University, but funds shall only be available if matched on a dollar-for-dollar basis by non-State funds, such as from alumni, and shall only be available if the appropriate University body with authority over such matters agrees to allocate one-half of the seats at such sports arena for students at all regular North Carolina State University athletic contests held at such sports arena. Such funds shall be available as matched, shall not revert, and shall remain available for expenditure until rescinded by act of the General Assembly. It is the intent of the General Assembly to match any non-

State funds received for this purpose in excess of the one million five hundred thousand dollars (\$1,500,000).

PART XVI-----JUDICIAL DEPARTMENT

Requested by: Representative Watkins

-----DEATH PENALTY RESOURCE CENTER

Sec. 109. Of the funds appropriated to the Judicial Department for the 1988-89 fiscal year and included in Section 2 of this act to be used for indigent counsel fees, the sum of one hundred ninety-one thousand five hundred five dollars (\$191,505) shall be used by the Office of the Appellate Defender for the Death Penalty Resource Center.

Requested by: Representative Watkins

-----ADD ASSISTANT DISTRICT ATTORNEYS

Sec. 111. G.S. 7A-60(a1) reads as rewritten:

"(a1) The counties of the State are organized into prosecutorial districts, and each district has the counties and the number of full-time assistant district attorneys set forth in the following table:

Judicial District	Counties	No. of Full-Time Asst. District Attorneys
1	Camden, Chowan, Currituck, Dare, Gates, Pasquotank, Perquimans	5
2	Beaufort, Hyde, Martin, Tyrrell, Washington	4
3A	Pitt	4 ⁵
3B	Carteret, Craven, Pamlico	4
4	Duplin, Jones, Onslow, Sampson	8
5	New Hanover, Pender	7
6	Bertie, Halifax, Hertford, Northampton	4
7	Edgecombe, Nash, Wilson	7
8	Greene, Lenoir, Wayne	8
9	Franklin, Granville, Person, Vance, Warren	6
10	Wake	15
11	Harnett, Johnston, Lee	6
12	Cumberland, Hoke	12

13	Bladen, Brunswick, Columbus	5
14	Durham	8
15A	Alamance	3
15B	Orange, Chatham	3
16	Robeson, Scotland	7
17A	Caswell,	3 4
	Rockingham	
17B	Stokes, Surry	3
18	Guilford	14
19A	Cabarrus, Rowan	5 6
19B	Montgomery, Randolph	3 4
20	Anson, Moore, Richmond, Stanly, Union	8
21	Forsyth	9 10
22	Alexander, Davidson, Davie, Iredell	7
23	Alleghany, Ashe, Wilkes, Yadkin	3
24	Avery, Madison, Mitchell, Watauga, Yancey	3
25	Burke, Caldwell, Catawba	8
26	Mecklenburg	19
27A	Gaston	6
27B	Cleveland, Lincoln	4
28	Buncombe	5
29	Henderson, McDowell, Polk, Rutherford, Transylvania	6
30	Cherokee, Clay, Graham, Haywood, Jackson, Macon, Swain."	5

Requested by: Representative Blue

-----TECHNICAL CORRECTION/JUDICIAL ELECTIONS

Sec. 112. (a) Section 6 of Chapter 1056, Session Laws of 1987 reads as rewritten:

"Sec. 6. The other district court judgeship for District Court District 16A, as provided for in section 4 of this act, shall become effective July 1, 1989. The judgeship shall be filled, to the extent applicable, in the manner provided for in G.S. 7A-142, as amended by subsection (g) of this section, as if a vacancy had occurred on April 1, 1989, and the initial appointee shall serve until a successor takes office. ~~The relevant date under the last sentence of G.S. 7A-142 shall be May 1, 1989. The initial term of office shall expire on the~~

first day of December 1990, and a successor shall be elected in 1990 for a four-year term. In the November, 1990 General Election, and quadrennially thereafter, a successor shall be elected for a four-year term beginning the first Monday in December after the election."

(b) Section 7 of Chapter 1056, Session Laws of 1987 is amended by deleting: "If House Bill 2216, 1987 Session is enacted, Section 16 of that act, which amends G.S. 7A-142, is repealed. In any case, effective January 1, 1989" and substituting: "Section 16 of Chapter 1037, Session Laws of 1987 is repealed. Effective January 1, 1989".

Requested by: Representative Watkins

-----INDIGENT PERSONS' ATTORNEY FEE FUND

Sec. 113. (a)(1) Effective July 1, 1988, the Administrative Office of the Courts shall place the sum of three million dollars (\$3,000,000) from the Indigent Persons' Attorney Fee Fund in a reserve for capital cases and for transcripts, professional examinations, and expert witness fees. The Administrative Office of the Courts shall allot these funds as needed for these purposes and for unanticipated demands on the fund.

(2) Effective July 1, 1988, the Administrative Office of the Courts shall allot the sum of nine million seven hundred seventy-four thousand six hundred thirty-six dollars (\$9,774,636) from the Indigent Persons' Attorney Fee Fund for adult, juvenile, and guardian *ad litem* cases for the 1988-89 fiscal year to each judicial district where the superior and district court districts are coterminous, and otherwise by county, according to the case-load of indigent persons who were not represented by the public defender in the districts or counties during 1987-88.

The Administrative Office of the Courts shall notify all the senior resident superior court judges, all chief district court judges, and the clerk of superior court for each county of the amount available for the district or county immediately after the allotment is made and shall notify them how much remains for the district or county at the end of each month of the fiscal year.

The senior resident superior court judge and the chief district court judge of each district or county shall ask all judges holding court within the district or county: (i) to take into consideration the amount allotted at the beginning of the fiscal year and the amount remaining in the allotment when they award counsel fees to attorneys of indigent persons, and (ii) to make an effort to award fees equally and justly for legal services provided. The clerk of superior court for each county shall assure that all judges holding court within the county receive this request from the senior resident superior court judge and the chief district court judge.

The General Assembly requests that the Administrative Office of the Courts develop a fee schedule for attorneys of indigent persons for compensating counsel on a per case basis and that the Administrative Office of the Courts report that schedule to the 1989 General Assembly before March 1, 1989.

(3) If the funds allotted pursuant to subdivision (2) of this subsection are depleted in a district or county prior to the end of the 1988-89 fiscal year, the Administrative Office of the Courts shall allot the funds from the Reserve for Indigent Persons' Attorney Fee Funds in the same manner as provided in subdivision (2) and such funds shall be subject to the limitations and directions set out in subdivision (2).

(b) G.S. 7A-458 reads as rewritten:

" § 7A-458. *Counsel fees.*--In districts which do not have a public defender, the court shall fix the fee to which an attorney who represents an indigent person is entitled. In doing so, the court shall allow a fee based on the factors normally considered in fixing attorneys' fees, such as the nature of the case, and the time, effort and responsibility involved, ~~and the fee usually charged in similar cases.~~ Fees shall be fixed by the district court judge who hears the case for actions or proceedings finally determined in the district court and by the superior court judge who hears the case for actions or proceedings originating in, heard on appeal in, or appealed from the superior court. Even if the trial, appeal, hearing or other proceeding is never held, preparation therefor is nevertheless compensable."

(c) G.S. 7A-456 reads as rewritten:

" § 7A-456. *False statements; penalty.*--(a) A false material statement made by a person under oath or affirmation in regard to the question of his indigency constitutes perjury, and upon conviction thereof, the defendant may be punished as provided in G.S. 14-209.

(b) A judicial official making the determination of indigency shall notify the person of the provisions of subsection (a) of this section and shall explain to him the meaning of and the consequences of committing the crime of perjury.

(c) After a determination is made that a person is an indigent, the clerk of superior court for the county in which the determination was made shall make reasonable efforts to determine that, except for property he listed when the determination was made, the person owns no real property in that county."

PART XVII-----DEPARTMENT OF JUSTICE

Requested by: Representative Watkins
-----JORDAN LAKE AND KERR LAKE LAW ENFORCEMENT

Sec. 114. Of the funds appropriated to the Department of Justice for the 1988-89 fiscal year and included in Section 3 of this act, the sum of twenty-five thousand dollars (\$25,000) shall be used by Chatham County during fiscal year 1988-89 and the sum of twenty-five thousand dollars (\$25,000) shall be used by Vance County during fiscal year 1988-89 for law enforcement at the public access and camping areas during peak use times at Jordan Lake and Kerr Lake. Chatham and Vance Counties shall report before December 1, 1988, on expenditures of these funds to the Joint Legislative Commission on Governmental Operations and to the Fiscal Research Division.

Requested by: Representatives Anderson and Holt, Senator Marvin

-----USE OF SEIZED AND FORFEITED PROPERTY
TRANSFERRED TO STATE LAW ENFORCEMENT AGENCIES
BY THE FEDERAL GOVERNMENT

Sec. 115. (a) Assets transferred to the Department of Justice during the 1988-89 fiscal year pursuant to 19 U.S.C. § 1616a shall be credited to the budget of that Department and shall result in an increase of law enforcement resources for the Department. Assets transferred to the Department of Crime Control and Public Safety during the 1988-89 fiscal year pursuant to 19 U.S.C. § 1616a shall be credited to the budget of that Department and shall result in an increase of law enforcement resources for the Department. Each of these Departments shall report to the Joint Legislative Commission on Governmental Operations on how it intends to use these assets before it uses these assets.

The General Assembly finds that the use of these assets for new projects, the acquisition of real property, repair of buildings where such repair includes structural change, and construction of or additions to buildings may result in additional expense for the State in future fiscal periods; therefore the Department of Justice and the Department of Crime Control and Public Safety are prohibited from using these assets for such purposes without the prior approval of the General Assembly.

(b) This section does not apply to the extent that it prevents North Carolina law enforcement agencies from receiving funds from the U. S. Department of Justice pursuant to 19 U.S.C. § 1616a.

Requested by: Senator Rand

-----UNIFORM LAWS COMMISSION FUNDS

Sec. 116.1. Of the funds appropriated for the 1988-89 fiscal year to the Contingency and Emergency Fund the sum of twenty

thousand dollars (\$20,000) shall be allocated to the Department of Justice for the Uniform Laws Commission to support travel to necessary meetings for the Commission.

Requested by: Representatives Watkins and Bob Etheridge
 -----SBI LAB TO BE LOCATED ON GARNER ROAD CAMPUS

Sec. 117. The new State Bureau of Investigation Facility shall be located on the Garner Road Campus, and no funds shall be used to locate the laboratory at any other location.

PART XVIII-----DEPARTMENT OF CRIME CONTROL AND PUBLIC SAFETY

Requested by: Representative Holt, Senator Marvin
 -----DEPARTMENT OF CRIME CONTROL AND PUBLIC SAFETY
 RECEIPTS FROM PROPERTY AND EQUIPMENT SALES

Sec. 118. The Joint Legislative Commission on Governmental Operations and the Fiscal Research Division may study the procedure and practices used by the Department of Crime Control and Public Safety in reporting, accounting for, and using receipts from the sale of property or equipment by that Department without prior approval from the General Assembly.

PART XIX-----DEPARTMENT OF CORRECTION

Requested by: Representative Barnes
 -----GATE MONEY INCREASE

Sec. 120. (a) G.S. 148-13(a) reads as rewritten:

"(a) The Secretary of Correction may issue regulations regarding the grades of custody in which State prisoners are kept, the privileges and restrictions applicable to each custody grade, and the amount of cash, clothing, etc., to be awarded to State prisoners after their discharge or parole. The amount of cash awarded to a prisoner upon discharge or parole after being incarcerated for two years or longer shall be at least forty-five dollars (\$45.00)."

(b) G.S. 148-60.1 reads as rewritten:

"§ 148-60.1. Allowances for paroled prisoner.--Upon the release of any prisoner upon parole, the superintendent or warden of the institution shall provide the prisoner with suitable clothing and, if needed, an amount of money sufficient to purchase transportation to the place within the State where the prisoner is to reside. The Parole Commission may, in its discretion, provide that the prisoner shall upon his release on parole receive a sum of money ~~not to exceed twenty-five dollars (\$25.00).~~ of at least forty-five dollars (\$45.00)."

(c) Of the funds appropriated to the Department of Correction for the 1988-89 fiscal year and included in Section 2 of this act, the Department shall pay for the increase in money that may be awarded to a prisoner upon his discharge from prison or release on parole as provided in G.S. 148-13(a) and G.S. 148-60.1.

Requested by: Representative Watkins

-----LIMIT USE OF PRISON PERSONNEL FUNDS

Sec. 121. (a) Funds appropriated for the 1988-89 fiscal year and included in Section 2 of this act to the Department of Correction for new personnel positions set forth in the expansion budget approved by the General Assembly in this act shall be used for those positions and may not be expended for any other purpose.

(b) Funds appropriated for the 1988-89 fiscal year and included in Section 2 of this act to the Department of Correction and held in reserve for Craggy Correctional Center and for Buncombe Correctional Center may not be expended for additional prison personnel positions until the new facilities are within 90 days of completion, and then those funds may be used only for the new positions at those facilities as set out in the expansion budget approved by the General Assembly in this act.

Requested by: Representative Barnes, Senator Parnell

-----ELECTRONIC PERIMETER SECURITY SYSTEM AT JOHNSTON PRISON UNIT AUTHORIZED

Sec. 122. (a) Section 14(b) of Chapter 795 of the 1987 Session Laws reads as rewritten:

"(b) Except as otherwise authorized by the General Assembly, no electronic perimeter security system may be purchased for or installed at any custodial or correctional facility operated by the Department of Correction. No electronic perimeter security system may be purchased for or installed at any custodial or correctional facility authorized for construction or renovation under Chapter 3 of the 1987 Session Laws, except that such a system may be purchased and installed at the new Craggy Prison in Buncombe County ~~and at McCain Prison in Hoke County.~~"

(b) Of the funds appropriated for the 1988-89 fiscal year and included in Section 4 of this act to the Office of State Budget and Management for new prison construction, an electronic perimeter security system may be purchased and installed at the Johnston County Prison Unit.

Requested by: Representative Watkins, Senator Plyler

-----PRISON FACILITIES CONSTRUCTION FUNDS

Sec. 123. (a) Of the funds appropriated for the 1988-89 fiscal year and included in Section 4 of this act to the Office of State Budget and Management, the sum of seventeen million four hundred forty-seven thousand three hundred ninety-one dollars (\$17,447,391) for the 1988-89 fiscal year shall be used as follows:

- (1) To construct two 104-bed medium custody dormitories at the Harnett Prison Unit;
- (2) To construct two 104-bed medium custody dormitories at the Johnston Prison Unit;
- (3) To construct a 104-bed medium custody dormitory at the Franklin Prison Unit;
- (4) To construct a 104-bed medium custody dormitory at the Sampson Prison Unit;
- (5) To construct and improve support facilities at the sites authorized in subdivisions (1) through (4) of this section; and
- (6) To contract for outside professional assistance in administering these funds.

If, in the preparation for construction, conditions are discovered at any of the foregoing sites making them unsuitable for construction, such housing units and related support facilities may be constructed on State property adjacent to or within the other State prison facilities.

Contracts shall be entered into in such manner so that all projects listed in subdivisions (1) through (6) of this section shall be accomplished within the sum of seventeen million four hundred forty-seven thousand three hundred ninety-one dollars (\$17,447,391).

(b) The Office of State Budget and Management may contract for and supervise all aspects of design, construction, or demolition of prison facilities designated in subdivisions (1) through (5) of subsection (a) of this section without being subject to the requirements of the following statutes and rules implementing those statutes: G.S. 143-135.26(1), 143-128, 143-129, 143-132, 143-134, 143-131, 143-64.10 through 143-64.13, 113A-1 through 113A-10, 113A-50 through 113A-66, 133-1.1(b), and 133-1.1(g). All contracts for the design, construction, or demolition of these facilities shall include a penalty for failure to complete the work by a specified date.

Construction of the dormitories set out in subdivisions (1), (2), (3), and (4) of subsection (a) of this section shall be based on the existing design used for the new 104-man dormitories built in the South Piedmont Area of the Division of Prisons to comply with the consent judgment in the case of HUBERT v. WARD, allowing for site adaptations and other necessary modifications.

This subsection expires upon completion of the capital projects designated in subdivisions (1) through (5) of subsection (a) of this section.

(c) The Office of State Budget and Management shall report to the Cochairmen of the Prison Construction Subcommittee of the Joint Legislative Commission on Governmental Operations at least monthly and shall report quarterly to the Joint Legislative Commission on Governmental Operations and the Fiscal Research Division on the funds allocated by this section. The report shall include information on which contractors have been selected, what contracts have been entered into, the projected and actual occupancy dates of facilities contracted for, the number of prison beds to be constructed on each project, the location of each project, and the projected and actual cost of each project.

Requested by: Representative Watkins

-----CALEDONIA PRISON WASTEWATER TREATMENT FACILITY

Sec. 124. (a) Out of the funds appropriated to the Department of Correction for the 1988-89 fiscal year and included in Section 4 of this act, a proper wastewater treatment facility shall be provided for Caledonia Prison Farm.

(b) The Department of Correction shall report quarterly to the Chairmen of the Appropriations Base Budget Committee and the Appropriations Expansion Budget Committee in the House, the Chairmen of the Appropriations Committee and the Base Budget Committee in the Senate, and the Joint Legislative Commission on Governmental Operations and the Fiscal Research Division on the expenditures made to implement this section.

Requested by: Senator Warren

-----JOHNSTON PRISON CHAPEL/DONATION

Sec. 125. The Office of State Budget and Management may accept a donation from At the Foot of the Cross Chapel, Inc., for the purpose of building an extension to be used as a chapel on a proposed support building at Johnston County Prison Unit.

Requested by: Representatives Barnes, Bowen

-----SAMPSON PRISON CHAPEL/DONATION

Sec. 126. The Office of State Budget and Management may accept a donation from the Clinton Ministerial Association Prison Chapel Fund in the sum of thirty thousand four hundred seven dollars and ninety-eight cents (\$30,407.98) to build an extension to a

proposed support services building at the Sampson County Prison Unit. The extension will serve as a chapel for the Sampson County Prison Unit. If the proposed support services building is not constructed at the Sampson County Prison Unit, the donation for the prison chapel may not be accepted.

Requested by: Senator Plyler

-----SUBSTANCE ABUSE PROGRAM PERSONNEL

Sec. 126.1. (a) Subsection (c) of Section 111 of Chapter 738 of the 1987 Session Laws reads as rewritten:

"(c) The Substance Abuse Program established by subsection (a) of this section shall be offered in a medium custody facility, or a portion of a medium custody facility that is self-contained, so that the residential and program space is separate from any other programs or inmate housing, and shall be operational by January 1, 1988, at such unit as the Secretary may designate.

An Assistant Secretary for Substance Abuse shall be employed and shall report directly to the Office of the Secretary of Correction. A Correctional Administrator I shall be employed to manage programs for offenders with substance abuse problems in the Department of Correction and its divisions. The Correctional Administrator I shall report to the Assistant Secretary for Substance Abuse. A Secretary IV shall be employed to assist the Correctional Administrator I. An Administrative Officer II and a Secretary IV shall be employed to assist the Assistant Secretary and work under his direction and management. The duties of the Assistant Secretary shall include the following:

- (1) Administer and coordinate all substance abuse programs, grants, contracts, and related functions in the Department of Correction;
- (2) Develop and maintain working relationships and agreements with agencies and organizations that will assist in developing and operating a Substance Abuse Program in the Department of Correction;
- (3) Develop and coordinate the use of volunteers in the Substance Abuse Program;
- (4) Develop and present training programs related to substance abuse for employees and others at all levels in the agency;
- (5) Develop programs that provide effective treatment for inmates, probationers, and parolees with substance abuse problems;
- (6) Maintain contact with key leaders in the substance abuse field and active supporters of the Correction Program;

- (7) Supervise directly the directors of treatment units, specialized personnel, and programs that exist or may be developed in the Department of Correction; and
- (8) Develop employee assistance programs for employees with substance abuse problems.

Ten additional program staff shall be employed. There shall be a Correctional Program Director II who is responsible to the Assistant Secretary for Substance Abuse. This employee shall be responsible for managing and implementing the inpatient treatment program. Also employed will be a Correctional Program Director I, two Correctional Program Supervisors, four Correctional Program Assistant II's, one Correctional Program Assistant I, and one Clerk-Stenographer IV.

The duties of the Program Director shall include the following:

- (1) Implement and manage the inpatient treatment program for inmates with substance abuse problems;
- (2) Supervise personnel assigned to the inpatient treatment program;
- (3) Assist in developing the treatment program for inmates with substance abuse problems;
- (4) Recruit and develop staff for the inpatient program and other staff required;
- (5) Assist in developing linkage and follow-up of inmates between the inpatient program, related agencies, organizations, and other facilities of the Department of Correction;
- (6) Be responsible for treatment plans and daily activities and schedules for all assigned inmates;
- (7) Develop methods for involving families of inmates in the program to the extent deemed appropriate and useful; and
- (8) Other duties as required.

Preference shall be accorded to qualified recovering alcoholics and substance abusers in the employment of treatment counselors.

In the unit there shall be a unit superintendent under the Division of Prisons and other custodial, administrative, and support staff as required for a medium custody facility for approximately 100 inmates. The unit superintendent shall be responsible for all matters pertaining to custody and administration of the unit. The Correctional Program Director II will administer the inpatient treatment program under the direction of the Assistant Secretary for Substance Abuse.

Extensive use may be made of inmates working in the role of ancillary staff, peer counselors, role models, or group leaders as the program manager determines. Additional resource people who may be required for specialized treatment activities, presentations, or group work may be employed on a fee or contractual basis.

The program in each unit shall be structured such that approximately 25 offenders will enter the Program on a weekly basis.

Admission priorities shall be established as follows:

- (1) Court recommendation.
- (2) Evaluation and referral from reception and diagnostic centers.
- (3) General staff referral.
- (4) Self-referral.

The program shall include extensive follow-up after the period of intensive treatment. There will be specific plans for each departing inmate for follow-up, including active involvement with Alcoholics Anonymous, community resources, and personal sponsorship."

(b) The Department of Correction may use up to eighty-one thousand dollars (\$81,000) of the funds available to it for the 1988-89 fiscal year to support the positions of Correctional Administrator I and Secretary IV for the Substance Abuse Program.

PART XX-----DEPARTMENT OF HUMAN RESOURCES

Requested by: Senator Royall

-----LENOX BAKER TRANSFER/TECHNICAL CORRECTION

Sec. 127. (a) Section 16 of Chapter 856 of the 1987 Session Laws reads as rewritten:

"Sec. 16. G.S. ~~143B-173(a)(5)~~ 143B-173(a)(3) is repealed."

(b) This section shall become effective August 14, 1987.

Requested by: Representative Nye

-----CASWELL COUNTY FAMILY MEDICAL CENTER

Sec. 128. Of the funds appropriated to the Department of Human Resources, Division of Facility Services, for the 1988-89 fiscal year and included in Section 3 of this act, the sum of one hundred forty-five thousand dollars (\$145,000) shall be used to construct an extension to the Caswell County Medical Center to help meet the medical needs of the area.

Requested by: Senator Walker, Representative Nye

-----PREVENTION PROGRAMS FUNDS

Sec. 129. Section 100 of Chapter 738 of the 1987 Session Laws reads as rewritten:

"Sec. 100. (a) Social Services Block Grant funds appropriated in ~~Section 4 of this act~~ for fiscal year 1988-89 and included in Section 5 of this act shall be allocated as follows:

Swain County	Cherokee Boys Club, Inc.	\$30,000
Caldwell County	Health Department	30,000
Robeson County	Health Department	30,000
Harnett County	Health Department	40,000
Buncombe County	Health Department	40,000
Carteret County	Community Action, Inc.	40,000
Davidson County	Health Department	40,000
Greene County	Health Care, Inc.	40,000
Bertie County	Health Department	40,000
Scotland County	Health Department	40,000
Macon County	Programs for Progress	55,000
Mecklenburg County	N.C. Coalition on Adolescent Pregnancy	20,000

(b) Programs receiving funds allocated under this section shall use these funds for adolescent pregnancy prevention and prematurity prevention projects.

(b) (c) No funds allocated under this section shall be used for purchase and prescriptions of contraceptives, nor shall contraceptives be distributed on school property under this section. None of the funds allocated under this section may be used for transportation to and from abortion services. None of the funds allocated under this section may be used for abortions. This subsection applies only to the funds allocated under this section.

(d) Each program receiving funds under this section shall report to the Department of Human Resources those program specifics required by the Department, including specifics required by the Department designed to permit evaluation of the program's success in fulfilling the requirement set out in subsection (b) of this section. The Department shall report to the General Assembly no later than May 1, 1989, on the programs' operations, including any legislative recommendations."

Requested by: Senator Walker. Representative Nye

-----RESPITE CARE PROGRAM

Sec. 130. (a) Section 101(a) of Chapter 738 of the 1987 Session Laws reads as rewritten:

"(a) A respite care program is established to provide needed relief to caregivers of impaired adults who cannot be left alone because of mental or physical problems and ~~whose income preclude coverage under North Carolina's Medicaid eligibility standards~~ who are not eligible for respite care services through the North Carolina Medicaid Program."

(b) Section 101(h) of Chapter 738 of the 1987 Session Laws reads as rewritten:

"(h) Up to three hundred thousand dollars (\$300,000) of the funds appropriated from the Social Services Block Grant in ~~Section 4 of this act for the 1987-88~~ for the 1988-89 fiscal year and included in Section 5 of this act may be used to implement this section."

Requested by: Representative Nye

-----HEALTH PROMOTION FUNDS

Sec. 131. (a) Of the Preventive Health Block Grant funds appropriated by Section 5 of this act to the Division of Health Services, Department of Human Resources, for Health Promotion Programs, the sum of three hundred thirty-three thousand three hundred four dollars (\$333,304) shall be allocated to the 29 risk reduction projects funded in 1986-87, at the same allocation rate as was used in 1986-87.

(b) Of the Preventive Health Block Grant funds appropriated in Section 5 of this act to the Division Of Health Services, Department of Human Resources, for Health Promotion Programs, the sum of four hundred fifty-nine thousand four hundred sixty-one dollars (\$459,461) for the 1988-89 fiscal year shall be allocated as follows:

(1) Six thousand dollars (\$6,000) each to the 29 existing risk reduction projects; and

(2) Two hundred eighty-five thousand four hundred sixty-one dollars (\$285,461) to be divided equally between the 55 remaining local health departments for risk reduction projects.

(c) The Division of Health Services shall report to the Human Resources subcommittees of the House and Senate appropriations committees by March 15, 1989, on the use of the funds allocated by this section.

Requested by: Representative Nye

-----MEDICAID SERVICES AND PAYMENT BASES/DRUGS

Sec. 132. Section 67(a)(5) of Chapter 738 of the 1987 Session Laws reads as rewritten:

"(5) Drugs - Drug cost as allowed by federal regulations plus ~~three dollars eighty-five cents (\$3.85)~~ four dollars four cents (\$4.04) professional services fee per month excluding refills for the same drug or generic equivalent during the same month. Reimbursement shall be available for up to six prescriptions per recipient, per month, including refills. Payments for drugs are subject to the provisions of subsection (g) of this section and to the provisions at the end of subsection (a) of this section, or in accordance with a plan adopted by the Department of Human Resources consistent with federal reimbursement regulations."

Requested by: Senator Walker, Representative Nye
 -----YOUTH SUBSTANCE ABUSE SERVICES PLAN
 DEVELOPMENT

Sec. 134. Section 86 of Chapter 738 reads as rewritten:

"Sec. 86. Of the Alcohol and Drug Abuse Treatment and Rehabilitation Block Grant funds appropriated in ~~Section 4 of this act~~ for the 1988-89 fiscal year to the Department of Human Resources, ~~the sum of three million sixteen thousand seven hundred forty-eight dollars (\$3,016,748) for the 1987-88~~ the sum of two million nine hundred thirty thousand eight hundred sixty-four dollars (\$2,930,864) shall be expended to ~~begin~~ continue and expand ~~development of service services~~ in accordance with the Youth Substance Abuse Plan as transmitted by the Secretary of Human Resources to the cochairmen of the Mental Health Study Commission on March 1, 1987, as amended by letter from the Secretary to the cochairmen dated April 28, 1987, and as consistent with the content and intent of the Committee Substitute for Senate Bill 1356. These documents shall serve as policy guidelines for the development of services."

Requested by: Senator Walker, Representative Nye
 -----EASTERN REGION DETOX FUNDS

Sec. 135. Two hundred eighty-four thousand five hundred thirty dollars (\$284,530) of the Alcohol, Drug Abuse, Mental Health Services Block Grant funds appropriated for fiscal year 1988-89 and included in Section 5 of this act to the Department of Human Resources, Division of Mental Health, Mental Retardation, and Substance Abuse Services and sixty-eight thousand five hundred eighty dollars (\$68,580) of the Alcohol, Drug Abuse Treatment and Rehabilitation Block Grant funds appropriated for fiscal year 1988-89 and included in Section 5 of this act to the Department of Human Resources, Division of Mental Health, Mental Retardation, and Substance Abuse Services shall be used to continue the nonhospital based medical detox programs in the following mental health, mental retardation, and substance abuse services authorities, in the following amounts:

(1)	Tideland	\$145,110
(2)	Pitt	\$100,000
(3)	Onslow	\$ 41,000
(4)	Roanoke-Chowan	\$ 67,000.

Requested by: Representative Nye
 -----WASTE WATER DISPOSAL AND TREATMENT STUDY

Sec. 137.(a) Of the funds appropriated for fiscal year 1988-89 and included in Section 3 of this act to the Department of Human

Resources, Division of Health Services, the sum of twenty thousand dollars (\$20,000) shall be allocated to Craven County to be used to contract for consultation and technical assistance.

(b) The Division of Health Services shall conduct a review of the local situations in Brunswick, Craven, and Pender Counties as they pertain to the evaluation of the sites for sub-surface waste water disposal and treatment, in order to compare the current laws and rules with recent technology and methods. The Division shall report the findings of its review to the Joint Legislative Commission on Governmental Operations and to the Fiscal Research Division of the Legislative Services Office by December 1, 1988.

Requested by: Senator Walker, Representative Nye

-----ALCOHOL REHABILITATION CENTER STUDY

Sec. 138.(a) The Department of Human Resources shall conduct a study of the feasibility of operating the three Alcohol Rehabilitation Centers (ARC) as nonmedical rehabilitation facilities. The study shall include the determination of:

- (1) The operating costs associated with the medical component of each of the ARCs, and the savings to be realized from the elimination of this component. The costs of the medical component shall include the salaries of physicians and nurses and other staff, full time, part time, or contractual, engaged in the detoxification of clients upon arrival or during the stay at the ARC;
- (2) The most cost effective means to provide any medical services coverage that may be needed in operating a nonmedical rehabilitation facility;
- (3) The effect of the change in the role of the ARCs on the existing community-based service system, including a survey of the types, numbers, and costs of existing substance abuse community-based programs and any recommended changes that may be needed in this system;
- (4) A plan to implement a rehabilitation component of the ARCs in accordance with the Alcoholics Anonymous treatment model. The Department shall confer with representatives of the substance abuse recovering community for advice and assistance in the development of the plan; and
- (5) Recommendations concerning the process to be used to pilot test a nonmedical rehabilitation ARC program.

(b) The Department shall report the findings of its study to the Human Resources subcommittees of the House and Senate appropriations committees by March 15, 1989.

Requested by: Representative Nye

-----COMMUNITY WORK EXPERIENCE PROGRAM

Sec. 139. Of funds available for fiscal year 1988-89 to the Department of Human Resources, Division of Social Services, the sum of one hundred fifty-four thousand dollars (\$154,000) shall be used to implement the community work experience program in Anson, Burke, Duplin, Madison, Martin, Pamlico, and Rockingham Counties.

Requested by: Senators Walker, and Royall

-----PILOT PROGRAM FOR CHILDREN

Sec. 140. Of the funds appropriated to The University of North Carolina at Chapel Hill, Division of Health Affairs, for the 1988-89 fiscal year and included in Section 2 of this act, one hundred eighty-eight thousand three hundred ninety-seven dollars (\$188,397) shall be used to establish, in conjunction with the Orange-Person-Chatham Mental Health, Mental Retardation, and Substance Abuse Program, a pilot program to train professionals to work in public sector mental health programs and to provide community-based treatment for emotionally disturbed children. This project shall be funded by the transfer of General Fund appropriations from physical plant operations made possible by the increased amount of the thirty percent (30%) of overhead receipts transferred into that budget purpose.

Requested by: Senators Royall, Walker

-----FEDERAL CATASTROPHIC HEALTH COVERAGE ALLOCATION

Sec. 141. Of the funds appropriated for fiscal year 1988-89 and included in Section 2 of this act to the Department of Human Resources, Division of Medical Assistance, the sum of four million nine hundred thousand dollars (\$4,900,000) shall be used to implement the provisions of the Federal Catastrophic Health Coverage Act of 1988 (HR 2470). Of this sum, the Division may, effective July 1, 1988, use four hundred thousand dollars (\$400,000) for administrative and start-up costs of the program for fiscal year 1988-89. The Division shall hold the remaining funds in a reserve and shall allocate these funds for 1988-89 program costs on February 1, 1989.

Requested by: Senator Walker, Representative Nye

-----FEDERAL FUNDS/VOCATIONAL REHABILITATION ALLOCATIONS

Sec. 142.(a) Of the federal funds available to the Department of Human Resources, Division of Vocational Rehabilitation, through

Title I, Section 110 of the Rehabilitation Act of 1973, as amended, the Division shall use the following sums for fiscal year 1988-89 for the following purposes:

- (1) The sum of one million three hundred ninety-eight thousand twelve dollars (\$1,398,012) to expand the vocational high school employment transition program to assist handicapped students to prepare for the transition from school to work. All students in this program shall have an individual education/work plan developed to assist this transition;
- (2) The sum of two hundred sixty-six thousand two hundred dollars (\$266,200) to establish a program to assist Social Security Disability recipients, with rehabilitation that will enable them to return to work and to be taken off the Social Security Disability roles;
- (3) The sum of ninety-eight thousand nine hundred ninety-nine dollars (\$98,999) for the Supported Employment Program, which provides on-the-job assistance in adapting to employment situations to vocational rehabilitation clients; and
- (4) The sum of fifty-eight thousand three hundred seventy-four dollars (\$58,374) for two engineering technicians, who shall work with the four rehabilitation engineers at the Division.

(b) Of the federal funds available to the Department of Human Resources, Division of Services for the Blind, through Title I, Section 110 of the Rehabilitation Act of 1973, as amended, the sum of three hundred sixty-one thousand dollars (\$361,000) for fiscal year 1988-89 shall be used by the Division to allow Division of Services for the Blind's Sheltered Workshops to take on new contracts which will expand available employment opportunities for additional blind workers.

(c) Of the federal funds available to the Department of Human Resources, Division of Vocational Rehabilitation, through Sections 2209 and 2344 of Public Law 97-35, the sum of eight hundred ten thousand five hundred dollars (\$810,500) for fiscal year 1988-89 shall be used by the Division to purchase the computer equipment necessary to complete the last phase of implementing the on-line data processing system for local Vocational Rehabilitation Unit offices.

Requested by: Representative Nye

-----"ACCESS" POSITION

Sec. 143. Of the funds allocated under Section 116(a) of Chapter 830 of the 1987 Session Laws to the Department of Human Resources, the Division of Vocational Rehabilitation shall use up to thirty-seven thousand fifty dollars (\$37,050) for fiscal year 1988-89

for a position, to continue publication of the guidebook, ACCESS, a listing of recreational facilities available to the handicapped.

Requested by: Senator Walker

-----LIFEGUARDIANSHIP PROGRAM FOR THE DEVELOPMENTALLY DISABLED

Sec. 144. Of the funds appropriated for fiscal year 1988-89 and included in Section 2 of this act to the Department of Human Resources, Division of Health Services, for the Prescription Drug Program for the Disabled, the sum of one hundred thousand dollars (\$100,000) shall be transferred to the Division of Mental Health, Mental Retardation, and Substance Abuse Services, to be used for the Lifeguardianship Program for Developmentally Disabled, operated by the Association for Retarded Citizens.

Requested by: Representative Nye

-----POSITIONS FOR CHILD FOSTER CARE PROGRAM

Sec. 146. Notwithstanding G.S. 143-16.3, the Department of Human Resources, Division of Social Services, with the approval of the Office of State Budget may establish two positions in child foster care and child placing licensure services from an internal reallocation of positions, if available.

Requested by: Senator Walker, Representative Nye

-----CHRONICALLY MENTALLY ILL FUNDS

Sec. 148. Expansion funds appropriated in the amount of one million five hundred thousand dollars (\$1,500,000) for fiscal year 1988-89 and included in Section 3 of this act to the Department of Human Resources, Division of Mental Health, Mental Retardation, and Substance Abuse Services, for the chronically mentally ill shall be allocated to the Department of Human Resources' regions on a per capita basis. The allocation of funds by each region to the area mental health, mental retardation, and substance abuse authorities within the region shall be determined by the Division through its regional management teams.

Requested by: Senator Walker, Representative Nye

-----MATERNAL AND CHILD HEALTH PROGRAMS

Sec. 148.3. Section 92(b) of Chapter 738 of the 1987 Session Laws reads as rewritten:

"(b) The Division of Health Services shall determine the amount of additional revenue earned from Maternal and Child Health Programs by local health departments as a result of the expansion of Medicaid eligibility for children and pregnant women and the specific purposes

these additional revenues were expended for, and shall report the results of these determinations to the ~~Joint Legislative Commission on Governmental Operations~~ Department of Human Resources subcommittees of the House and Senate appropriations committees and the Fiscal Research Division of the Legislative Services office Office ~~no less than 30 days prior to the convening of the 1987 General Assembly, Regular Session 1988~~ by April 15, 1989."

Requested by: Senator Walker, Representative Nye

-----INFLATIONARY INCREASES IN STATE AID TO LOCAL AGENCIES

Sec. 148.4. As required by G.S. 143-10.1, funds are included in Sections 2 and 3 of this act for inflationary increases in certain local programs, including a four and one half percent (4.5%) salary increase in the 1988-89 fiscal year, which increase will be carried forward into the 1989-90 fiscal year, computed on the State share paid by the State of North Carolina, where the State is presently providing aid. These funds shall be certified to the respective State agencies as detailed in the State budget, and they shall be distributed to the local agencies' programs using the same allocation methods by which the present aid is distributed.

Requested by: Senator Walker, Representative Nye

-----PRESCRIPTION DRUG FUNDS FOR DISABLED

Sec. 148.5. (a) Of the funds appropriated for the 1988-89 fiscal year and included in Section 2 of this act to the Department of Human Resources, Division of Health Services, the sum of two hundred forty thousand dollars (\$240,000) shall be used to continue the prescription drug reimbursement program for the disabled to provide assistance in purchasing prescription drugs to people terminated from the Social Security Disability Program from March 1, 1981, through September 30, 1983, begun pursuant to Section 64(1), Chapter 1034, 1983 Session Laws. The prescription drug program shall serve only current residents of North Carolina. The rules for operating this prescription drug assistance program shall be adopted by the Secretary of the Department of Human Resources pursuant to recommendations of the Disability Task Force as authorized by Section 82, Chapter 757, 1985 Session Laws.

(b) Of the funds appropriated for fiscal year 1988-89 and included in Section 2 of this act to Department of Human Resources, Division of Health Services for the prescription drug program, sixty thousand dollars (\$60,000) shall be transferred to the Office of the Secretary to continue the Social Security Disability Program Hotline. These funds shall be in addition to the Social Security Disability

Program Hotline's budget of fifty-six thousand eight hundred twenty-eight dollars (\$56,828) for fiscal year 1988-89. This program shall provide information to citizens on their rights under the Social Security Disability Program and shall work with the Disability Task Force as established in Section 82 of Chapter 757 of the 1985 Session Laws in addressing the recommendations of the General Assembly's Disability Review Study Commission. The Program's legal work shall be supervised by an attorney from the Department of Human Resources.

(c) The Secretary of the Department of Human Resources shall report to the Human Resources subcommittees of the House and Senate appropriations committees by May 1, 1989, on the expenditure of funds required by subsections (a) and (b) of this section.

(d) Of the funds appropriated for fiscal year 1988-89 and included in Section 2 of this act to the Office of Secretary, Department of Human Resources, the sum of nine thousand dollars (\$9,000) shall be used to continue the Disability Task Force as established by Section 82 of Chapter 757 of the 1985 Session Laws.

Requested by: Senator Walker, Representative Nye
-----WILLIE M.

Sec. 148.6. Section 82(e) of Chapter 738 of the 1987 Session Laws reads as rewritten:

"(e) Reporting Requirements. The Department of Human Resources and the Department of Public Instruction shall submit by ~~May 1, 1988~~, May 1, 1989, a joint report to the Governor and the General Assembly on the progress achieved in serving members of the Willie M. Class. The report shall include the following unduplicated data for each county: (i) the number of children nominated for the Willie M. Class; (ii) the number of children actually identified as members of the Class in each county; (iii) the number of children served as members of the Class in each county; (iv) the number of children who remain unserved; (v) the types and locations of treatment and education services provided to Class members; (vi) the cost of treatment services, by type, to members of the Class; (vii) information on the impact of treatment and education services on members of the Class."

Requested by: Senator Walker
-----PIONEER PROJECT REIMBURSEMENT AUTHORIZATION

Sec. 148.8. The Department of Human Resources may make payments of ADAP, ADAP Transportation, Developmental Day, Outpatient Commitment, and any other funds that they may be directed to pay on a subsidy basis, on a unit cost reimbursement basis

to Pioneer Project sites in accordance with Pioneer Project procedures established pursuant to Section 87 of Chapter 738 of the 1987 Session Laws.

Requested by: Senator Walker

-----GROUP HOME PROGRAM FUNDS

Sec. 148.9. Section 45 of Chapter 830 of the 1987 Session Laws reads as rewritten:

"Sec. 45. Of the funds appropriated to the Division of Mental Health, Mental Retardation, and Substance Abuse Services, Department of Human Resources, in Section 2 of this act, the sum of three hundred ninety-seven thousand four hundred dollars (\$397,400) for the 1987-88 fiscal year and the sum of five hundred eighty-four thousand four hundred fifty-five dollars (\$584,455) for the 1988-89 fiscal year shall be used for start-up and operational costs in group homes and apartment living programs in Tideland, Catawba, Cleveland, Neuse, Gaston-Lincoln, Guilford, Mecklenburg, and Edgecombe-Nash, New River, Durham, Tri-County, Orange-Person-Chatham, Pitt, Rutherford-Polk, Duplin-Sampson, Piedmont, and Wilson-Greene Area Programs."

Requested by: Senator Royall

-----CHILD MENTAL HEALTH FUNDS

Sec. 148.10. Of the funds appropriated for fiscal year 1988-89 and included in Section 3 of this act to the Department of Human Resources, Division of Mental Health, Mental Retardation, and Substance Abuse Services, the sum of one million dollars (\$1,000,000) shall be used to expand the system of community-based services developed in accordance with the Child Mental Health Plan presented to the 1987 General Assembly in the February 1987 Report of the Mental Health Study Commission and adopted to serve as policy guidance by Section 39 of Chapter 830 of the 1987 Session Laws, and in accordance with the Division's plan to use fifty-five thousand dollars (\$55,000) of these funds for community-based services in order to alleviate the over-census conditions of the adolescent unit at Cherry Hospital. Funds allocated by this section are in addition to those allocated for the 1988-89 fiscal year in Section 39 of Chapter 830 of the 1987 Session Laws.

Requested by: Senator Walker, Representative Nye

-----CATHOLIC SOCIAL MINISTRIES GRANT-IN-AID

Sec. 148.11. Section 27 of Chapter 830 of the 1987 Session Laws reads as rewritten:

"Sec. 27. Of the funds appropriated to the Department of Human

Resources for the 1988-89 fiscal year and included in Section 2 3 of this act, the sum of ~~thirty-five thousand nine hundred ninety-six dollars (\$35,996) for the 1987-88 fiscal year~~ thirty-nine thousand eight hundred seven dollars (\$39,807) shall be used to include Catholic Social Ministries in the private child caring institutions receiving State grants-in-aid. ~~These funds shall be~~ Funds allocated by the Department of Human Resources to Catholic Social Ministries, shall be allocated according to rules adopted by the Department for the payment of grants-in-aid to private child caring institutions.

Any future request for a grant-in-aid to Catholic Social Ministries shall be submitted along with the requests of the other eligible private child caring institutions according to the provisions of G.S. 143B-139.2."

Requested by: Senator Royall

-----IN-HOME AGING SERVICES

Sec. 148.12. Of the funds appropriated from the General Fund to the Division of Aging, Department of Human Resources, for the 1988-89 fiscal year and included in Section 3 of this act, the sum of seven hundred twenty thousand dollars (\$720,000) shall be used to provide funds for much needed, additional in-home aide services that enable the frail elderly to remain in their homes and avoid institutionalization.

The Division shall administer the in-home aide services and activities funded by this section. The Division of Aging shall choose in-home service providers on the basis of a competitive bid process and shall include the following criteria: documented capacity to provide care, adequacy of quality assurance, training, supervision, abuse prevention, complaint mechanisms, and costs. All funds allocated by the Division pursuant to this section shall be allocated by October 1, 1988.

Requested by: Senator Royall

-----CAREGIVER SUPPORT

Sec. 148.13. (a) Of the funds appropriated to the Division of Aging, Department of Human Resources for the 1988-89 fiscal year and included in Section 3 of this act, the sum of one million eight thousand dollars (\$1,008,000) for the 1988-89 fiscal year shall be used for services that support family caregivers of elderly persons with functional disabilities, whether physical or mental, who want to stay in their homes rather than be institutionalized but who need assistance with the activities of daily living in order to be able to remain at home. The services that may be purchased from funds received under this section include:

- (1) Respite care services, under the rules adopted by the Department of Human Resources on behalf of the Division of Aging;
- (2) Respite care and adult day care services, under the rules adopted pursuant to Title III-B of the Older Americans Act;
- (3) Stipends for senior companions, modeled after the federal Senior Companion program;
- (4) Other related services that meet needs not now adequately addressed by the services described in subdivisions (1) through (3) of this subsection.

(b) The Division of Aging shall expend funds for these services according to the population of persons of 70 years and more in each region. The Division of Aging shall use a minimum of ninety-three percent(93%) of the funds it receives under this section for the services described in subdivisions (1) through (4) of subsection (a) of this section and may only use a maximum of seven percent (7%) for technical assistance as described in subsection (c) of this section. Funds allocated by the Division pursuant to this section shall be allocated by October 1, 1988.

(c) The Division of Aging may contract for technical assistance. The technical assistance shall include training assistance, coordination of the various service delivery and funding sources, and ideas for innovative ways to build a lasting system of services for family caregivers.

Requested by: Senator Walker, Representative Nye

-----PRESCHOOL VISUALLY IMPAIRED PROGRAM

Sec. 148.14. Of the funds appropriated for the 1988-89 fiscal year and included in Section 2 of this act to the Department of Human Resources, Division of Schools for the Deaf and Blind, the sum of twenty-two thousand seven hundred eighty-three dollars (\$22,783) from line item 14424-1101-1211 are transferred to line item 14424-1701-1291 to continue to provide educational services to preschool visually impaired children.

Requested by: Senator Walker, Representative Nye

-----EXTENDED NURSING HOME CARE

Sec. 148.15. Section 67(a)(8) of Chapter 738 of the 1987 Session Laws reads as rewritten:

"(8) *Home Health, Private Duty Nursing, Clinic Services, Mental Health Clinics, Prepaid Health Plans* - Payment to be made according to reimbursement plans developed by the Department of Human Resources."

Requested by: Senator Royall

-----AGING FEDERAL MATCHING FUNDS

Sec. 148.16. Effective July 1, 1988, the Department of Human Resources, Division of Aging, may use funds appropriated in Sec.---of this act to the Department of Human Resources, Secretary's Office, to provide the State matching requirement necessary to draw down federal money available through the new Title III-D of the Older Americans Act for in-home services for the frail elderly, including those with Alzheimer's Disease.

Requested by: Senator Plyler

-----INTERMEDIATE CARE FACILITY GROUP HOMES FOR THE MENTALLY RETARDED

Sec. 148.17. Of the funds appropriated to the Department of Human Resources, Division of Mental Health, Mental Retardation, and Substance Abuse Services for the 1988-89 fiscal year and included in Section 3 of this act, the sum of two hundred forty thousand dollars (\$240,000) for the 1988-89 fiscal year shall be allocated to the following programs in the following amounts for start-up costs associated with the development of five intermediate care facility group homes for the mentally retarded:

- | | | |
|-----|--|----------|
| (1) | Gaston Residential Services, Inc. | \$96,000 |
| (2) | Piedmont Residential Development Center, Inc. | 96,000 |
| (3) | Stanly County Group Homes for the Autistic, Inc. | 48,000 |

Requested by: Senator Plyler

-----FUNDS FOR ENVIRONMENTAL HEALTH PROGRAMS AND SERVICES

Sec. 148.18. Of the funds appropriated for the fiscal year 1988-89 and included in Section 2 of this act, the sum of three hundred thousand dollars (\$300,000) is allocated to the Department of Human Resources, Division of Health Services for the purposes of providing high quality environmental health programs and services at the local level. This is a pilot program and these funds shall be allocated on an equal per county basis.

A report to the Joint Legislative Commission on Governmental Operations shall be presented outlining the responsibilities that have been given to the local health departments over the past ten years and any increased costs to local health departments resulting from the additional responsibilities.

Requested by: Representative Nye

-----LAST CHANCE FOR CHILDREN FUNDS

Sec. 149. Of the funds appropriated for fiscal year 1988-89 and included in Section 3 of this act to the Department of Human Resources the sum of seventy-five thousand dollars (\$75,000) shall be used by Jackson County for construction of a residential treatment facility for the "Last Chance for Children" treatment program.

Requested by: Representative Nye

-----LAST CHANCE FOR CHILDREN FUNDS/TRANSFER

Sec. 150. Funds appropriated in Section 36 of Chapter 830 of the 1987 Session Laws for fiscal year 1987-88 shall be carried forward to fiscal year 1988-89 and shall be transferred to Jackson County, to be used for the purchase of property for and the construction of a residential treatment facility for the "Last Chance for Children" treatment program.

Requested by: Representative Nesbitt

-----MOUNTAIN AREA OBSTETRICAL PROGRAM

Sec. 151.1. Of the funds appropriated to the Department of Human Resources, Division of Health Services, for fiscal year 1988-89 and included in Section 3 of this act, the sum of four hundred eighty thousand dollars (\$480,000) shall be allocated to the Mountain Area Health Education Center to develop and establish an Obstetrical Education Program. This program shall be developed as a pilot program in accordance with the Ambulatory Medical Education Program under development by the North Carolina Area Health Education Center and The University of North Carolina School of Medicine. The pilot shall include an Obstetrical/Gynecological Residency Program, the operation of a high risk maternity clinic, fellowships in Obstetrics for family practitioners, and training of nursing students and other residents.

PART XXI-----DEPARTMENT OF AGRICULTURE

Requested by: Representative Brewster Brown

-----TIMBER SALES ACCOUNT

Sec. 153. Funds from the Department of Agriculture timber sales capital improvement account may be used by the Department of Agriculture to purchase, pursuant to G.S. 146-30, a tract of land adjacent to the Peanut Belt Research Station at Lewiston-Woodville.

Requested by: Representative Watkins

-----N.E. FARMERS MARKET FUNDING

Sec. 154. Section 137(a) of Chapter 738 of the 1987 Session Laws reads as rewritten:

"(a) Of the funds appropriated in Section 158(b) of Chapter 1014 of the 1985 Session Laws and placed in a nonreverting capital account for the establishment of the Northeastern North Carolina Farmers Market, ~~twenty five thousand dollars (\$25,000) shall be available for the operation of the Northeastern North Carolina Farmers Market during the 1988-89 fiscal year provided that land has been purchased for the market~~ the following allocations shall be made for the 1988-89 fiscal year:

- (1) Two hundred thousand dollars (\$200,000) to complete the Pasquotank County Farmers Market;
- (2) Three hundred eighty-nine thousand two hundred fifteen dollars (\$389,215) to establish the Northeastern Marketing Center;
- (3) One hundred twenty-five thousand dollars (\$125,000) to complete construction of the restaurant at the Raleigh Horse and Livestock Exhibition Facility at the North Carolina State Fairgrounds; and
- (4) One hundred thousand dollars (\$100,000) to establish the Martin County Farmers Market."

Requested by: Representatives Watkins and Bob Etheridge
-----PSEUDORABIES FUNDS/RULES

Sec. 155. Of the funds appropriated in Section 2 of this act to the Department of Agriculture for the 1988-89 fiscal year, eight hundred thirty-five thousand seven hundred eighty-five dollars (\$835,785) is allocated to a reserve for the testing of all swine herds to determine the identity of herds infected with the pseudorabies virus. In promulgating rules to control the spread of pseudorabies, the Department of Agriculture shall not unreasonably restrict the growth of the swine industry.

Requested by: Senator Plyler
-----DROUGHT EMERGENCY RESERVE

Sec. 155.1. Of the funds appropriated in section 2 of this act to the Department of Agriculture for the 1988-89 fiscal year, one million dollars (\$1,000,000) shall be allocated to a reserve, to be known as the Drought Emergency Reserve. The Department shall:

- (1) Develop criteria and establish priority factors for the disbursement of funds from this reserve;
- (2) Receive applications from those who seek drought relief funds; and
- (3) Recommend to the Council of State which applicants are

most in need of emergency relief.

The Council of State shall authorize the expenditure of funds from the Drought Emergency Reserve based upon the recommendations of the Department of Agriculture.

PART XXII-----DEPARTMENT OF COMMERCE

Requested by: Senator Plyler

-----INTERNATIONAL DEVELOPMENT FUNDS

Sec. 156. Of the funds appropriated in section 2 of this act to the Department of Commerce for the 1988-89 fiscal year, eighty-two thousand dollars (\$82,000) shall be used as follows:

- (1) Sixty thousand dollars (\$60,000) for the North Carolina Department of Commerce Japan Office for leasing real property; and
- (2) Twenty-two thousand dollars (\$22,000) for the North Carolina Department of Commerce Dusseldorf Office for the purchase of data processing equipment.

Requested by: Senator Rand

-----MICROENTERPRISE FUNDS

Sec. 156.1. (a) Of the funds appropriated in Section 3 of this act to the Department of Commerce for the 1988-89 fiscal year, five hundred thousand dollars (\$500,000) shall be allocated to the Rural Economic Development Center, Inc., to establish a pilot program that will develop a Microenterprise Fund.

(b) The Rural Economic Development Center, Inc., shall submit an interim report to the 1989 General Assembly no later than February 15, 1989, and a final report no later than June 30, 1989. Each report shall include the following:

- (1) The uses of any funds appropriated by this act;
- (2) Whether any of the funds appropriated by this act were matched, and if so, the source of the matching funds; and
- (3) The grants made from the Microenterprise Fund, including the recipient of the grant, the amount of the grant, the purpose of the grant, and the actual results of the grant.

Requested by: Senator Parnell

-----EMPLOYMENT SECURITY COMMISSION FUNDS

Sec. 156.3. (a) Notwithstanding G.S. 96-5(c), there is appropriated from the Special Employment Security Administration Fund to the Employment Security Commission of North Carolina the sum of one million one hundred thousand dollars (\$1,100,000) for the 1988-89 fiscal year for the administration of the Veterans Employment

Program, Employment Services Program, and Unemployment Insurance Program. The Employment Security Commission shall report to the Joint Legislative Commission on Governmental Operations by the first of each month, prior to an expenditure of any funds appropriated by this section. Supplemental federal funds or other additional funds received by the Employment Security Commission for similar purposes shall be expended prior to the expenditure of funds appropriated by this section. The report required by this section shall be included in the report that is required by Section 145 of Chapter 738 of the 1987 Session Laws and shall contain the same information.

(b) There is appropriated from the Worker Training Trust Fund to the Employment Security Commission of North Carolina the sum of one million six hundred forty-two thousand six hundred eighty-five dollars (\$1,642,685) for the 1988-89 fiscal year for the operation of local offices at the 1986-87 level of service.

PART XXIII-----DEPARTMENT OF NATURAL RESOURCES AND COMMUNITY DEVELOPMENT

Requested by: Representatives Bruce Ethridge, Colton

-----AUTHORIZATION FOR USE OF WATER QUALITY FEES

Sec. 157. (a) There is appropriated from the water quality fees collected and deposited in the nonreverting account established in G.S. 143-215.3A, a sum not to exceed eight hundred nineteen thousand three hundred fifty dollars (\$819,350) for the 1988-89 fiscal year, to the Department of Natural Resources and Community Development to retain and provide all necessary support for a position, or to establish and provide all necessary support for a position in the water quality program, when sufficient fees for a position and all necessary support for the 1988-89 fiscal year have been deposited. No more than 23 positions may be funded and supported in this manner. These positions shall be those positions that were previously established from one-time State funds appropriated for the 1987-88 fiscal year, six aquatic toxicology positions that were previously established and are presently funded from federal receipts, and up to seven newly-established positions in the water quality program of the Department of Natural Resources and Community Development. Water quality fees shall be the only source of funds for these positions and all necessary support, including fringe benefits. These positions shall be used to reduce the backlog of permit applications and to improve the rate of compliance of facilities with environmental standards for toxic substances.

(b) The Department of Natural Resources and Community

Development shall provide a quarterly report to the Joint Legislative Commission on Governmental Operations and the Fiscal Research Division beginning September 30, 1988. Each report shall state the amount and type of fees collected for the quarter, the number of permit applications processed for the quarter, the number of permit applications not processed, and the progress made in reducing the backlog of permit applications.

Requested by: Senator Barnes

-----WAYNESBOROUGH PARK MATCHING REQUIREMENT

Sec. 158. The funds allocated by Section 7 of Chapter 795 of the 1987 Session Laws for the construction of an amphitheater at Waynesborough Park shall be matched on the basis of two State dollars for every local dollar.

Requested by: Representative Bruce Ethridge

-----AUTHORIZATION FOR USE OF AIR QUALITY FEES

Sec. 159. (a) There is appropriated from the air quality fees collected and deposited in the nonreverting account established in G.S. 143-215.3A, a sum not to exceed one hundred fifty thousand dollars (\$150,000) for the 1988-89 fiscal year, to the Department of Natural Resources and Community Development to establish and provide all necessary support for a position in the Department of Natural Resources and Community Development, when sufficient fees for a position and all necessary support for the 1988-89 fiscal year have been collected and deposited. No more than five positions may be established in this manner. Air quality fees shall be the only source of funds for these positions and all necessary support, including fringe benefits. These positions shall be used to conduct air quality permitting and air quality monitoring activities.

(b) The Department of Natural Resources and Community Development shall provide quarterly reports to the Joint Legislative Commission on Governmental Operations and the Fiscal Research Division beginning September 30, 1988. Each report shall state the amount and type of fees collected for the quarter, the number of permit applications processed for the quarter, the number of permit applications not processed, and the progress made in reducing the backlog of permit applications.

Requested by: Senator Basnight

-----CIVIL WORKS PROJECTS

Sec. 160. Of the funds appropriated in Section 4 of this act to the Department of Natural Resources and Community Development for the 1988-89 fiscal year, five hundred three thousand dollars

(\$503,000) shall be allocated for certain civil works projects and a study as follows:

(1) Seventy-five thousand dollars (\$75,000) for the Beaufort Harbor project;

(2) Three hundred thousand dollars (\$300,000) for the Wilmington Harbor project;

(3) Twenty-eight thousand dollars (\$28,000) for the New River Inlet project; and

(4) One hundred thousand dollars (\$100,000) for the study of the feasibility of deepening the Morehead City Harbor.

Any funds allocated by this section that have not been expended or encumbered for these purposes at the end of the 1988-89 fiscal year shall revert to the General Fund.

Requested by: Senator Walker

-----ZOOLOGICAL PARK FUNDS

Sec. 161. Of the funds appropriated in Section 4 of this act to the Department of Natural Resources and Community Development for the 1988-89 fiscal year, three million five hundred thousand dollars (\$3,500,000) shall be used for the North Carolina Zoological Park, provided the North Carolina Zoological Park Society raises the sum of eight hundred seventy-five thousand dollars (\$875,000) to match this allocation on the basis of one dollar for every four State dollars. The Society shall inform the Department periodically of the amount of matching funds that it has raised. The funds allocated by this section may be used only to the extent that the required matching funds have been raised. The funds allocated by this section that have not been expended or encumbered at the end of the 1988-89 fiscal year may not revert, but shall remain available to the Department for the North Carolina Zoological Park.

Requested by: Representative Watkins, Senator Royall

-----LIMITATION ON USE OF WATER AND SEWER GRANT FUNDS

Sec. 161.3. Funds allocated to local governments by the General Assembly from the funds appropriated for the 1988-89 fiscal year to the Office of State Budget and Management for Sewer and Water Grants shall be subject to the following limitations:

- (1) These funds shall be spent for a public purpose;
- (2) Any real or personal property purchased with the funds shall remain the property of the local government: provided, however, the local government may grant utility easements; and
- (3) These funds may not supplant local funds that have been or

will be used for real or personal property purchased for or given to a private, for profit corporation.

Requested by: Senator Basnight, Representative Bruce Ethridge

-----BUXTON WOODS FUNDS

Sec. 161.4. Of the funds allocated in Section 7 of Chapter 795 of the 1987 Session Laws for State Parks, three hundred thousand dollars (\$300,000) shall be used for the purchase of land at Buxton Woods in Dare County to protect the natural area.

PART XXIV-----DEPARTMENT OF TRANSPORTATION

Requested by: Representative Brannan

-----REVOLVING FUND FOR AIRPORT HANGAR CONSTRUCTION

Sec. 162. Funds in the State Aid to Airports Reserve Account, up to a maximum of one million dollars (\$1,000,000) may be transferred at the discretion of the Department of Transportation, to a reserve for a revolving fund to provide loans for activities eligible for State aid pursuant to G.S. 63-67 for the construction of aircraft hangars and related airport facilities. Eligibility criteria and rules governing the loans shall be developed and issued by the Department of Transportation, Division of Aeronautics. Small airports shall be given preference in receiving loans pursuant to this act.

Requested by: Senator Basnight

-----ESSENTIAL AIR SERVICE

Sec. 164. G.S. 63-67 reads as rewritten:

" § 63-67. Activities eligible for State aid.--Loans and grants of State funds may be made for the planning, acquisition, construction, or improvement of any airport, seaplane base, or heliport owned or controlled, or which will be owned or controlled by any city, county or public airport authority acting by itself or jointly with any other city or county. An airport, seaplane base, or heliport development project or activity eligible for State aid under this Article shall also be deemed to include projects such as air navigation facilities, aviation easements, and the acquisition of land, lighting, marking, security items, terminal improvements, and the elimination of aviation safety hazards, and the preservation or enhancement of essential air service as defined by the Federal Aviation Act of 1958, as amended."

Requested by: Representatives Watkins and Bob Etheridge

-----STATE AID TO AIRPORTS/P.B. RAIFORD

Sec. 165. Of the funds appropriated for State Aid to Airports in

G.S. 136-16.4 for fiscal year 1988-89, the sum of twenty-five thousand dollars (\$25,000) shall be allocated to Duplin County for drainage at the P.B. Raiford Airport.

PART XXV MISCELLANEOUS PROVISIONS

----EXECUTIVE BUDGET ACT APPLIES

Sec. 166. The provisions of the Executive Budget Act, Chapter 143, Article 1, of the General Statutes, are reenacted and shall remain in full force and effect and are incorporated in this act by reference.

Sec. 167. The July 7, 1988 Conferee Report, which was distributed in the Senate and the House of Representatives and used to explain this act, shall indicate action by the General Assembly on this act and shall therefore be used to construe this act, as provided in G.S. 143-15 of the Executive Budget Act, and for such purposes shall be considered a part of this act.

-----MOST TEXT APPLIES ONLY TO 1988-89

Sec. 168. Except for statutory changes or other provisions that clearly indicate an intention to have effects beyond the 1988-89 fiscal year, the textual provisions of this act apply only to funds appropriated for, and activities occurring during, the 1988-89 fiscal year.

-----1987-88 APPROPRIATIONS LIMITATIONS AND DIRECTIONS APPLY

Sec. 169. Except where expressly repealed or amended by this act, the provisions of Chapters 738, 795, 830, 876, 886, and 1036 of the 1987 Session Laws as amended remain in effect.

Sec. 170. Notwithstanding any modifications by this act in the amounts appropriated, except where expressly repealed or amended, the limitations and directions for the 1987-89 fiscal biennium in Chapters 738, 795, 830, 876, 886, and 1036 of the 1987 Session Laws that applied to appropriations to particular agencies or for particular purposes apply to the newly enacted appropriations of this act for those same particular purposes.

Sec. 170.1. Subdivisions (1) and (2) of Section 15 of Chapter 1036 of the 1987 Session Laws are repealed.

-----EFFECT OF HEADINGS

Sec. 171. The headings to the parts and sections of this act are a convenience to the reader and are for reference only. The headings do not expand, limit, or define the text of this act.

-----SEVERABILITY CLAUSE

Sec. 172. If any section or provision of this act is declared unconstitutional or invalid by the courts, it does not affect the validity of this act as a whole or any part other than the part so declared to be unconstitutional or invalid.

-----EFFECTIVE DATE

Sec. 173. Except as otherwise provided, this act shall become effective July 1, 1988.

In the General Assembly read three times and ratified this the 8th day of July, 1988.

S.B. 669

CHAPTER 1087

AN ACT TO CLARIFY THE STATE TORT CLAIMS ACT AND RELATED STATUTES, TO IMPROVE THE ADMINISTRATION OF THE ACT.

The General Assembly of North Carolina enacts:

Section 1. G.S. 143-291 reads as rewritten:

" § 143-291. *Industrial Commission constituted a court to hear and determine claims; damages.--(a)* The North Carolina Industrial Commission is hereby constituted a court for the purpose of hearing and passing upon tort claims against the State Board of Education, the Board of Transportation, and all other departments, institutions and agencies of the State. The Industrial Commission shall determine whether or not each individual claim arose as a result of the negligence of any officer, employee, involuntary servant or agent of the State while acting within the scope of his office, employment, service, agency or authority, under circumstances where the State of North Carolina, if a private person, would be liable to the claimant in accordance with the laws of North Carolina. If the Commission finds that there was such negligence on the part of an officer, employee, involuntary servant or agent of the State while acting within the scope of his office, employment, service, agency or authority, which was the proximate cause of the injury and that there was no contributory negligence on the part of the claimant or the person in whose behalf the claim is asserted, the Commission shall determine the amount of damages which the claimant is entitled to be paid, including medical and other expenses, and by appropriate order direct the payment of such damages by the department, institution or agency concerned, but in no event shall the amount of damages awarded exceed the sum of one hundred thousand dollars (\$100,000) cumulatively to all claimants on account of injury and damage to any one person. The fact that a

claim may be brought under more than one Article under this Chapter shall not increase the foregoing maximum liability of the State.

(b) If a State agency, otherwise authorized to purchase insurance, purchases a policy of commercial liability insurance providing coverage in an amount at least equal to the limits of the State Tort Claims Act, such insurance coverage shall be in lieu of the State's obligation for payment under this Article."

Sec. 2. Chapter 143 is amended by adding a new section to read:

" § 143-291.2. *Costs and fees.*--(a) The Industrial Commission may by order tax the costs against the losing party in the same amount and the same manner as costs are taxed in the General Court of Justice. When a State department, institution, or agency appeals to the full commission the decision rendered by a hearing commissioner, the State department, institution, or agency shall furnish a copy of the transcript of the hearing to the appellee without cost. The State department, institution, or agency concerned may pay the costs taxed against it. When costs are not paid by a party from whom they are due, the Industrial Commission shall issue an execution for the costs and attach a bill of costs to each execution. The Sheriff shall levy upon the execution as provided in Chapter 6 of the General Statutes in civil actions.

(b) The Industrial Commission shall charge a filing fee for each affidavit initiating a claim filed under this Article in an amount equal to the filing fee charged for civil actions in the Superior Court Division of the General Court of Justice. No filing fee shall be required of indigent persons, provided each claim by an indigent complies with all statutory and administrative requirements applicable to the filing of civil actions by indigents in the Superior Court Division of the General Court of Justice."

Sec. 3. Chapter 143 is amended by adding a new section to read:

" § 143-291.3. *Counterclaims by State.*--The filing of a claim under this Article shall constitute consent by the plaintiff(s) to the jurisdiction of the Industrial Commission to hear and determine any counterclaim of one hundred thousand dollars (\$100,000) or less which may be filed on behalf of a State department, institution, or agency or a county or city board of education. A final award of the Industrial Commission awarding damages on a counterclaim shall be filed with the Clerk of the Superior Court of the county wherein the case was heard. These awards shall be docketed and shall be enforceable in the same manner as judgments of the General Court of Justice. Notwithstanding the provisions of Rule 12 of the Rules of Civil Procedure, nothing in this section shall require the filing of such a counterclaim."

Sec. 4. G.S. 143-293 reads as rewritten:

" § 143-293. *Appeals to Court of Appeals.*--Either the claimant or the State may, within 30 days after receipt of the decision and order of the full Commission, to be sent by registered or certified mail, but not thereafter, appeal from the decision of the Commission to the Court of Appeals. Such appeal shall be for errors of law only under the same terms and conditions as govern appeals in ordinary civil actions, and the findings of fact of the Commission shall be conclusive if there is any competent evidence to support them. The appellant shall cause to be prepared a statement of the case as required by the rules of the Court of Appeals. A copy of this statement shall be served on the respondent within 45 days from the entry of the appeal taken; within 20 days after such service, the respondent shall return the copy with his approval or specified amendments endorsed or attached; if the case be approved by the respondent, it shall be filed with the Clerk of the Court of Appeals as a part of the record; if not returned with objections within the time prescribed, it shall be deemed approved. The chairman of the Industrial Commission shall have the power, in the exercise of his discretion, to enlarge the time in which to serve statement of case on appeal and exceptions thereto or counterstatement of case.

If the case on appeal is returned by the respondent with objections as prescribed, or if a counter case is served on appellant, the appellant shall immediately request the chairman of the Industrial Commission to fix a time and place for settling the case before him. If the appellant delays longer than 15 days after the respondent serves his counter case or exceptions to request the chairman to settle the case on appeal, and delays for such period to mail the case and counter case or exceptions to the chairman, then the exceptions filed by the respondent shall be allowed; or the counter case served by him shall constitute the case on appeal; but the time may be extended by agreement of counsel.

The chairman shall forthwith notify the attorneys of the parties to appear before him for that purpose at a certain time and place, which time shall not be more than 20 days from the receipt of the request. At the time and place stated, the chairman of the Industrial Commission or his designee shall settle and sign the case and deliver a copy to the attorneys of each party. The appellant shall within five days thereafter file it with the Clerk of the Court of Appeals, and if he fails to do so the respondent may file his copy.

No appeal bond or supersedeas bond shall be required of State departments or agencies."

Sec. 5. G.S. 143-298 reads as rewritten:

" § 143-298. *Duty of Attorney General; expenses.*--It shall be the duty of the Attorney General to represent all departments, institutions, and agencies of the State in connection with claims asserted against them and to attend all hearings in connection therewith where the amount of the claim, in the opinion of the Attorney General, is of sufficient import to require and justify such appearance. In the event the amount appropriated to the Attorney General's office for travel and subsistence is insufficient to take care of the additional expense incident to attending these hearings, the Governor and Council of State are authorized to pay such additional travel expenses from the Contingency and Emergency Fund.

Subpoenas for any purpose authorized by G.S. 1A-1, Rule 45 may be issued by an Attorney of Record for either party in all proceedings under the State Tort Claims Act and served by the means specified in the North Carolina Rules of Civil Procedure or served by registered or certified mail, and service shall be proved by filing of the return receipt."

Sec. 6. Chapter 143 of the General Statutes is amended by adding a new section to read:

" § 143-299.2. *Limitation on payments by the State.*--The maximum amount which the State may pay cumulatively to all claimants on account of injury and damage to any one person, whether the claim or claims are brought under this Article or Article 31A or Article 31B, shall be one hundred thousand dollars (\$100,000), less any commercial liability insurance purchased by the State and applicable to the claim or claims under G.S. 143-291(b), 143-300.6(c), or 143-300.16(c). The fact that a claim or claims may be brought under more than one Article under this Chapter shall not increase the above maximum liability of the State."

Sec. 7. G.S. 143-300 reads as rewritten:

" § 143-300. *Rules and regulations of Industrial Commission; destruction of records.*--The Industrial Commission is hereby authorized and empowered to adopt such rules and regulations as may, in the discretion of the Commission, be necessary to carry out the purpose and intent of this Article. The North Carolina Rules of Civil Procedure and Rules of Evidence, insofar as they are not in conflict with the provisions of this Article, shall be followed in proceedings under this Article. When any case or claim under this Article has been closed by proper order or award, all records concerning such case or claim may, after five years, in the discretion of the Industrial Commission with and by the authorization of the Department of

Cultural Resources, be destroyed by burning or otherwise; provided, that no record pertaining to a case or claim of a minor shall be destroyed until the expiration of three years after such minor attains the age of 18 years."

Sec. 8. This act shall become effective January 1, 1989, and shall apply to claims arising on or after that date.

In the General Assembly read three times and ratified this the 8th day of July, 1988.

H.B. 2652

CHAPTER 1088

AN ACT TO AMEND THE LAWS REGARDING VARIOUS SERVICE PURCHASES AT FULL COST IN THE TEACHERS' AND STATE EMPLOYEES' RETIREMENT SYSTEM AND IN THE LOCAL GOVERNMENTAL EMPLOYEES' RETIREMENT SYSTEM, AFTER THE COMPLETION OF FIVE YEARS OF CREDITABLE SERVICE.

The General Assembly of North Carolina enacts:

Section 1. G.S. 135-4(p1) reads as rewritten:

"(p1) Part-Time Service Credit. --

- (1) Notwithstanding any other provision of this Chapter, upon completion of ~~10 years~~ five years of membership service, any member may purchase service previously rendered as a part-time teacher or employee of the State, except for temporary or part-time service rendered while a full-time student in pursuit of a degree or diploma in a degree-granting program. Payment shall be made in a single lump sum in an amount equal to the full actuarial cost of providing credit for the service, together with interest and an administrative fee, as determined by the Board of Trustees on the advice of the Retirement System's actuary. Notwithstanding the provisions of G.S. 135-4(b), the Board of Trustees shall fix and determine by appropriate rules and regulations how much service in any year, as based on compensation, is equivalent to one year of service in proportion to 'earnable compensation', but in no case shall more than one year of service be creditable for all service in one year. Service rendered for the regular school year in any district shall be equivalent to one year's service.
- (2) Under all requirements and conditions set forth in the preceding subdivision of this subsection (p1), except for the requirement that the completion of ~~10 years~~ five years of

membership service be subsequent to service rendered as a part-time teacher or employee of the State, any member with ~~10 or more years~~ five or more years of membership service standing to his credit may purchase additional membership service for service rendered as a part-time teacher or employee of the State if (i) the member terminates or has terminated employment in any capacity as a teacher or employee of the State, (ii) the purchase of the additional membership service causes the member to become eligible to commence an early or service retirement allowance, and (iii) the member immediately elects to commence retirement and become a beneficiary."

Sec. 2. G.S. 135-4(s) reads as rewritten:

"(s) Credit at Full Cost for Temporary State Employment. -- In addition to the provisions of subsection (p) above, any member may purchase creditable service for State employment when classified as a temporary teacher or employee subject to the conditions that the:

- (1) Member was employed by an employer as defined in G.S. 135- 1(11);
- (2) Member's temporary employment met all other requirements of G.S. 135-1(10) or (25);
- (3) Member has completed ~~10 years~~ five years or more of membership service;
- (4) Member acquires from the employer such certifications of temporary employment as are required by the Board of Trustees; and
- (5) Member makes a lump sum payment into the Annuity Savings Fund equal to the full liability of the service credits calculated on the basis of the assumptions used for purposes of the actuarial valuation of the Retirement System's liabilities and shall take into account the retirement allowance arising on account of the additional service credit commencing at the earliest age at which the member could retire on an unreduced retirement allowance, as determined by the Board of Trustees upon the advice of the actuary, plus an administrative expense fee to be determined by the Board of Trustees.

The provisions of this subsection shall also apply to the purchase of creditable service for State employment when classified as a permanent hourly employee in accordance with G.S. 126-5(c4)."

Sec. 3. G.S.135-4(t) reads as rewritten:

"(t) Credit at Full Cost for Local Government Employment. -- Any member may purchase creditable service for any employment as an employee, as defined in G.S. 128-21(10), of a local government

employer not creditable in the North Carolina Local Governmental Employees' Retirement System upon completion of ~~10 years~~ five years of membership service by making a lump-sum payment into the Annuity Savings Fund. The payment by the member shall be equal to the full liability of the service credits calculated on the basis of the assumptions used for purposes of the actuarial valuation of the Retirement System's liabilities, taking into account the additional retirement allowance arising on account of the additional service credits commencing at the earliest age at which the member could retire with an unreduced retirement allowance, as determined by the Board of Trustees upon the advice of the actuary plus an administrative expense fee to be determined by the Board of Trustees."

Sec. 4. G.S.135-4(w) reads as rewritten:

"(w) Credit at Full Cost for Federal Employment.-- Notwithstanding any other provisions of this Chapter, a member, upon the completion of ~~10 years~~ five years of membership service, may purchase creditable service for periods of federal employment, provided that the member is not receiving any retirement benefits resulting from this federal employment, and provided that the member is not vested in the particular federal retirement system to which the member may have belonged while a federal employee. The member shall purchase this service by making a lump sum amount payable to the Annuity Savings Fund equal to the full liability of the service credits calculated on the basis of the assumptions used for purposes of the actuarial valuation of the system's liabilities, and shall take into account the retirement allowance arising on account of the additional service credit commencing at the earliest age at which the member could retire on an unreduced retirement allowance, as determined by the Board of Trustees upon the advice of the consulting actuary, plus an administrative fee to be set by the Board of Trustees.

Members may also purchase creditable service for periods of employment with public community service entities within the State funded entirely with federal funds, other than the federal government, that are not covered by the provisions of G.S. 128-21(11) or G.S. 135-1(11), under the same terms and conditions that are applicable to the purchase of creditable service for periods of federal employment in accordance with this subsection. 'Public community service entities' as used in this ~~subdivision~~ subsection shall mean community action, human relations, manpower development, and community development programs as defined in Articles 19 and 21 of Chapter 160A and Article 18 of Chapter 153A of the General Statutes and any other

similar programs that the Board of Trustees may adopt."

Sec. 5. G.S. 128-26(o) reads as rewritten:

"(o) Credit at Full Cost for Federal Employment.-- Notwithstanding any other provisions of this Chapter, a member, upon the completion of ~~10 years~~ five years of membership service, may purchase creditable service for periods of federal employment, provided that the member is not receiving any retirement benefits resulting from this federal employment, and provided that the member is not vested in the particular federal retirement system to which the member may have belonged while a federal employee. The member shall purchase this service by making a lump sum amount payable to the Annuity Savings Fund equal to the full liability of the service credits calculated on basis of the assumptions used for purposes of the actuarial valuation of the system's liabilities, and shall take into account the retirement allowance arising on account of the additional service credit commencing at the earliest age at which the member could retire on an unreduced retirement allowance, as determined by the Board of Trustees upon the advise of the consulting actuary, plus an administrative fee to be set by the Board of Trustees. Members may also purchase creditable service for periods of employment with public community service entities within the State funded entirely with federal funds, other than the federal government, than are not covered by the provisions of G.S. 128-21(11) or G.S. 135-1(11), under the same terms and conditions that are applicable to the purchase of creditable service for periods of federal employment in accordance with this subsection. 'Public community service entities' as used in this subsection shall mean community action, human relations, manpower development, and community development programs as defined in Articles 19 and 21 of Chapter 160A and Article 18 of Chapter 153A of the General Statutes and any similar programs that the Board of Trustees may adopt."

Sec. 6. G.S. 128-26 is amended by adding the following subsections to the end to read:

"(p) Part-Time Service Credit.--

- (1) Notwithstanding any other provision of this Chapter, upon completion of five years of membership service, any member may purchase service previously rendered as a part-time employee of a participating employer as defined in G.S. 128-21(11), except for temporary or part-time service rendered while a full-time student in pursuit of a degree or diploma in a degree-granting program. Payment shall be made in a single lump sum in an amount equal to the full actuarial cost of providing credit for the service, together with interest and an administrative fee, as determined by the Board of

Trustees on the advice of the Retirement System's actuary. Notwithstanding the provisions of G.S. 128-26(b), the Board of Trustees shall fix and determine by appropriate rules and regulations how much service in any year, as based on compensation, is equivalent to one year of service in proportion to 'earnable compensation', but in no case shall more than one year of service be creditable for all service in one year.

- (2) Under all requirements and conditions set forth in the preceding subdivision of this subsection, except for the requirement that the completion of five years of membership service be subsequent to service rendered as a part-time employee, any member with five or more years of membership service standing to his credit may purchase additional membership service for service rendered as a part-time employee of an employer as defined in G.S. 128-21(11) if (i) the member terminates or has terminated employment in any capacity as an employee, (ii) the purchase of the additional membership service causes the member to become eligible to commence an early or service retirement allowance, and (iii) the member immediately elects to commence retirement and become a beneficiary.

(q) **Credit at Full Cost for Probationary Employment.--** Notwithstanding any other provision of this Chapter, a member may purchase creditable service, prior to retirement, for employment with an employer as defined in this Article when considered to be in a probationary or employer imposed waiting period status and thereby not regularly employed, between date of employment and date of membership service with the retirement system, provided that the employer or former employer of such a member has revoked this probationary employment or waiting period policy.

Provided, the member shall purchase this service by making a lump sum amount payable to the Annuity Savings Fund equal to the full liability of the service credits calculated on the basis of the assumptions used for purposes of the actuarial valuation of the liabilities of the retirement system, and the calculation of the amount payable shall take into account the retirement allowance arising on account of the additional service credit commencing at the earliest age at which the member could retire on an unreduced retirement allowance, as determined by the Board of Trustees upon the advice of the consulting actuary, plus an administrative fee to be set by the Board of Trustees. In no instance shall the amount payable be less than the contributions a member would have made during the

employment plus four percent (4%) interest compounded annually.

Nothing contained in this subsection shall prevent an employer from paying all or part of the cost; and, to the extent paid by an employer, payments shall be credited to the Pension Accumulation Fund; and to the extent paid by a member, payments shall be credited to the Annuity Savings Fund; provided, however, an employer may not discriminate against any member or group of members in his employ in paying all or any part of this cost.

(r) Credit at Full Cost for Temporary Local Government Employment.--Notwithstanding any other provisions of this Chapter, any member may purchase creditable service for local government employment when classified as a temporary employee subject to the conditions that:

- (1) The member was employed by an employer as defined in G.S. 128-21(11);
- (2) The member's temporary employment met all other requirements of G.S. 128-21(10);
- (3) The member has completed five years or more of membership service;
- (4) The member acquires from the employer such certifications of temporary employment as are required by the Board of Trustees; and
- (5) The member makes a lump sum payment into the Annuity Saving Fund equal to the full liability of the service credits calculated on the basis of the assumptions used for purposes of the actuarial valuation of the retirement system's liabilities, and the calculation of the amount payable shall take into account the retirement allowance arising on account of the additional service credit commencing at the earliest age at which the member could retire on an unreduced retirement allowance, as determined by the Board of Trustees upon the advise of the actuary, plus an administrative fee to be determined by the Board of Trustees.

(s) Credit at Full Cost for Employment Not Otherwise Creditable.--Notwithstanding any other provisions of this Chapter, any member may purchase creditable service for any employment as an employee, as defined in G.S. 128-21(10), of a local government employer not creditable in any other retirement system or plan, upon completion of five years of membership service by making a lump sum payment into the Annuity Savings Fund. The payment by the member shall be equal to the full liability of the service credits calculated on the basis of the assumptions used for purposes of the actuarial valuation of the retirement system's liabilities, and the calculation of the amount

payable shall take into account the additional retirement allowance arising on account of the additional service credits commencing at the earliest age at which the member could retire with an unreduced retirement allowance, as determined by the Board of Trustees upon the advice of the actuary plus an administrative fee to be determined by the Board of Trustees."

Sec. 7. This act is effective upon ratification.

In the General Assembly read three times and ratified this the 8th day of July, 1988.

H.B. 2389

CHAPTER 1089

AN ACT TO PROVIDE FOR SPECIAL TAX TREATMENT OF SUBCHAPTER S CORPORATIONS.

The General Assembly of North Carolina enacts:

Section 1. Article 4 of Chapter 105 of the General Statutes is amended by adding after Division I a new Division to read:

"DIVISION I-S. S CORPORATION INCOME TAX.

" § 105-131. *Title; definitions; interpretation.*--(a) This Division of the income tax Article shall be known and may be cited as the S Corporation Income Tax Act.

(b) For the purpose of this Division, unless otherwise required by the context:

- (1) 'Business income' means items of income, loss, deduction or credit arising from transactions and activity in the regular course of the S Corporation's trade or business, and includes income from tangible and intangible property if the acquisition, management, and/or disposition of the property constitute integral parts of the S Corporation's regular trade or business operations.
- (2) 'Code' means the Internal Revenue Code of 1986, as enacted as of January 1, 1988, and includes any provisions enacted as of that date which become effective either before or after that date.
- (3) 'C Corporation' means a corporation that is not an S Corporation and is subject to the tax levied under Division I of this Article.
- (4) 'Department' means the Department of Revenue.
- (5) 'Net income' or 'net loss' shall be the same as the S Corporation's taxable income, as defined in the Code.
- (6) 'Nonbusiness income' means all items of income, loss, deduction, or credit of the S Corporation other than business income.

- (7) 'Post-termination transition period' means that period defined in section 1377(b)(1) of the Code.
 - (8) 'Pro rata share' means the share determined with respect to an S Corporation shareholder for a taxable period in the manner provided in section 1377(a) of the Code.
 - (9) 'S Corporation' means a corporation for which a valid election under section 1362(a) of the Code is in effect.
 - (10) 'Secretary' means the Secretary of Revenue.
 - (11) 'Taxable period' means any taxable year or portion of a taxable year during which a corporation is an S Corporation.
- (c) Except as otherwise expressly provided or clearly appearing from the context, any term used in this Division shall have the same meaning as when used in a comparable context in the Code, or in any statute relating to federal income taxes, in effect during the taxable period. Due consideration shall be given in the interpretation of this Division to applicable sections of the Code in effect and to federal rulings and regulations interpreting such sections, except where the Code, ruling, or regulation conflicts with the provisions of this Division.

" § 105-131.1. Taxation of an S Corporation and its shareholders.--

(a) An S Corporation shall not be subject to the tax levied under G.S. 105-130.3.

(b) Each shareholder's pro rata share of an S Corporation's net income or net loss, to the extent apportioned and allocated to this State pursuant to G.S. 105-130.4, shall be taken into account by the shareholder in the manner and subject to the adjustments provided in G.S. 105-131.2 and section 1366 of the Code and shall be subject to the tax levied under Division II of this Article.

" § 105-131.2. Apportionment, allocation, adjustment, and characterization of income.--(a) Allocation of Net Income. The net income of an S Corporation shall be allocated and apportioned to this State as provided in G.S. 105-130.4.

(b) Allocation of Shareholder's Pro Rata Share.

- (1) The pro rata share of each resident and nonresident shareholder in the business income of the S Corporation apportioned to this State under subsection (a) of this section shall, for purposes of G.S. 105-131.1(b), be taken into account by the shareholder subject to the adjustments in determining State net income as provided in G.S. 105-130.5.
- (2) The pro rata share of each resident shareholder in (i) the business income of the S Corporation not apportioned to this State under subsection (a) above, and (ii) the entire nonbusiness income of the S Corporation, shall, for

purposes of G.S. 105-131.1(b), be taken into account by the shareholder subject to the adjustments in determining State net income for items exempt from taxation in the State under G.S. 105-141(b).

- (3) The pro rata share of each nonresident shareholder in the nonbusiness income of the S Corporation allocated to this State under subsection (a) above, shall, for purposes of G.S. 105-131.1(b), be taken into account by the shareholder subject to the adjustments in determining State net income as provided in G.S. 105-130.5.

(c) Characterization of Income. S Corporation items of income, loss, deduction, and credit taken into account by a shareholder pursuant to G.S. 105-131.1(b) shall be characterized for purposes of this Division as though received or incurred by the S Corporation and not its shareholder.

" § 105-131.3. *Basis and adjustments.*--(a) The initial basis of a resident shareholder in the stock of an S Corporation and in any indebtedness of the corporation owed to that shareholder shall be determined, as of the later of the date the stock is acquired, the effective date of the S Corporation election, or the date the shareholder became a resident of this State, as provided under the Code.

(b) The basis of a resident shareholder in the stock and indebtedness of an S Corporation shall be adjusted in the manner and to the extent required by section 1011 of the Code except that:

- (1) Any adjustments made to the S Corporation's business income and nonbusiness income pursuant to G.S. 105-131.2 shall be taken into account; and
- (2) Any adjustments made pursuant to section 1367 of the Code for a taxable period during which this State did not measure S Corporation shareholder income by reference to the corporation's income shall be disregarded.

(c) The initial basis of a nonresident shareholder in the stock of an S Corporation and in any indebtedness of the corporation to that shareholder shall be zero.

(d) The basis of a nonresident shareholder in the stock and indebtedness of an S Corporation shall be adjusted as provided in section 1367 of the Code, except that adjustments to basis shall be limited to the business income and nonbusiness income taken into account by the shareholder pursuant to G.S. 105-131.1(b).

(e) The basis of a shareholder in the stock of an S Corporation shall be reduced by the amount allowed as a loss or deduction pursuant to G.S. 105-131.4(c).

(f) The basis of a resident shareholder in the stock of an S Corporation shall be reduced by the amount of any cash distribution that is not taxable to the shareholder as a result of the application of G.S. 105-131.6(b).

" § 105-131.4. *Carryforwards; loss limitation.*--(a) Carryforwards from an S Corporation shall be restricted in the manner provided in section 1371(b) of the Code.

(b) The aggregate amount of losses or deductions of an S Corporation taken into account by a shareholder pursuant to G.S. 105-131.1(b) may not exceed the combined adjusted bases, determined in accordance with G.S. 105-131.3, of the shareholder in the stock and indebtedness of the S Corporation.

(c) Any loss or deduction that is disallowed for a taxable period pursuant to subsection (b) of this section shall be treated as incurred by the corporation in the succeeding taxable period with respect to that shareholder.

(d) (1) Any loss or deduction that is disallowed pursuant to subsection (b) of this section for the corporation's last taxable period as an S Corporation shall be treated as incurred by the shareholder on the last day of any post-termination transition period.

(2) The aggregate amount of losses and deductions taken into account by a shareholder pursuant to subdivision (1) of this subsection may not exceed the adjusted basis of the shareholder in the stock of the corporation (determined in accordance with G.S. 105-131.3 at the close of the last day of any post-termination transition period and without regard to this subsection).

" § 105-131.5. *Part-year resident shareholder.*--If a shareholder of an S Corporation is both a resident and nonresident of this State during any taxable period, the shareholder's pro rata share of the S Corporation's business income and nonbusiness income determined pursuant to G.S. 105-131.2 shall be further prorated between the shareholder's periods of residence and nonresidence, in accordance with the number of days in each period.

" § 105-131.6. *Distributions.*--(a) Subject to the provisions of subsection (c) of this section, a distribution made by an S Corporation with respect to its stock to a resident shareholder shall be taxable to the shareholder under Division II of this Article only to the extent that the distribution is characterized as a dividend or as gain from the sale or exchange of property pursuant to section 1368 of the Code.

(b) Subject to the provisions of subsection (c) of this section, any distribution of money made by a corporation with respect to its stock to a resident shareholder during a post-termination transition period

shall not be taxable to the shareholder under Division II of this Article to the extent the distribution is applied against and reduces the adjusted basis of the stock of the shareholder in accordance with section 1371(e) of the Code.

(c) In applying sections 1368 and 1371(e) of the Code to any distribution referred to in this section:

- (1) The term 'adjusted basis of the stock' means the adjusted basis of the shareholder's stock as determined under G.S. 105-131.3; and
- (2) The accumulated adjustments account maintained for each resident shareholder shall be equal to, and shall be adjusted in the same manner as, the corporation's accumulated adjustments account defined in section 1368(e)(1)(A) of the Code, except that:
 - a. The accumulated adjustments account shall be modified in the manner provided in G.S. 105-131.3(b)(1); and
 - b. The amount of the corporation's federal accumulated adjustments account that existed on the day this State began to measure the S Corporation shareholders' income by reference to the income of the S Corporation shall be ignored and shall be treated for purposes of Divisions I and II of this Article as additional accumulated earnings and profits of the corporation.

" § 105-131.7. *Returns; shareholder agreements; mandatory withholding.*--(a) An S Corporation incorporated or doing business in the State shall file with the Department an annual return, on a form prescribed by the Secretary, on or before the due date prescribed for the filing of C Corporation returns in G.S. 105-130.17. The return shall show the name, address, and social security or federal identification number of each shareholder, the allocations and apportionments of income to this State with respect to each shareholder as determined under G.S. 105-131.2, and such other information as the Secretary may require.

(b) The Department shall permit S Corporations to file composite returns and to make composite payments of tax on behalf of some or all nonresident shareholders. The Department may permit S Corporations to file composite returns and make composite payments of tax on behalf of some or all resident shareholders.

(c) An S Corporation shall file with the Department, on a form prescribed by the Secretary, the agreement of each nonresident shareholder of the corporation (i) to file a return and make timely payment of all taxes imposed by this State on the shareholder with respect to the income of the S Corporation, and (ii) to be subject to personal jurisdiction in this State for purposes of the collection of any

unpaid income tax, together with related interest and penalties, owed by the nonresident shareholder. If the corporation fails to timely file an agreement required by this subsection on behalf of any of its nonresident shareholders, then the corporation shall at the time specified in subsection (d) of this section pay to the Department on behalf of each nonresident shareholder who fails to execute such an agreement an amount equal to seven percent (7%) of the shareholder's pro rata share of the S Corporation's net income apportioned and allocated to this State pursuant to G.S. 105-130.4 and adjusted pursuant to G.S. 105-131.2.

(d) The agreements required to be filed pursuant to subsection (c) of this section shall be filed at the following times:

- (1) At the time the annual return is required to be filed for the first taxable period for which the S Corporation becomes subject to the provisions of this Division; and
- (2) At the time the annual return is required to be filed for any taxable period in which the corporation has a nonresident shareholder on whose behalf such an agreement has not been previously filed.

(e) Amounts paid to the Department on account of the corporation's shareholders under subsections (b) and (c) shall constitute payments on their behalf of the income tax imposed on them under Division II of this Article for the taxable period.

"§ 105-131.8. *Tax credits.*--(a) Each shareholder of an S Corporation shall be allowed as a credit against the tax imposed by Division II of this Article in an amount equal to the shareholder's pro rata share of the tax credits described in G.S. 105-130.22 through G.S. 105-130.39 for which the S Corporation is eligible."

Sec. 2. G.S. 105-130.13 is repealed.

Sec. 3. G.S. 105-141(a) is amended by adding at the end a new subdivision to read:

- "(23) The taxpayer's pro rata share of an S Corporation's net income taken into account by the taxpayer as provided in G.S. 105-131.1(b)."

Sec. 4. G.S. 105-147(7) reads as rewritten:

"(7) Dividends from stock issued by any corporation to the extent herein ~~provided~~ provided, except that no deduction shall be allowed for dividends issued with respect to a taxable period during which the corporation is an S Corporation subject to the provisions of Division I-S of this Article. As soon as may be practicable after the close of each calendar year, the Secretary of Revenue shall determine from each corporate income tax return filed with him during such year, and due from the filing corporation during such year, the proportion of the

entire net income or loss of the corporation allocable to this State under the provisions of G.S. 105-130.4, except as provided herein; if a corporation has a net taxable income in North Carolina and a net loss from all sources wherever located, or, if a corporation has a net loss in North Carolina and a net income from all sources wherever located, the Secretary shall require the use of the allocation fraction determined under the provisions of G.S. 105-130.4. A taxpayer who is a stockholder in any such corporation shall be allowed to deduct from his gross income the same proportion of the dividends received by him from such corporation during his income year ending at or after the end of such calendar year. Provided that notwithstanding any other provision of this subdivision, a taxpayer who is a stockholder in a holding company as defined in G.S. 105-130.7(5) shall determine the deductible portion of dividend received from such holding company as provided therein. No deduction shall be allowed for any part of any dividend received by such taxpayer from any corporation which filed no income tax return with the Secretary of Revenue during such calendar year. Dividends received by a taxpayer from stock in any insurance company of this State taxed under the provisions of G.S. 105-228.5 shall be deductible from the gross income of such taxpayer, and a proportionate part of any dividends received from stock in any foreign insurance corporation shall be deductible, such part to be determined on the basis of the ratio of premiums reported for taxation in this State to total premiums collected both in and out of the State. Dividends received on shares of capital stock owned in a stock-owned savings and loan association taxed under Article 8D of this Chapter shall be deductible. A taxpayer shall be allowed to deduct such proportionate part of dividends received by him from a regulated investment company and real estate investment trust as defined in G.S. 105-130.12 as represents and corresponds to income received by such regulated investment company and real estate investment trust which would not be taxed by this State if received directly by the North Carolina resident. In no case shall the total amount of dividends that are deducted from a taxpayer's gross income as a result of the application of the provisions of this subdivision be in excess of fifteen thousand dollars (\$15,000) for the taxable year, except that for taxable years beginning on or before June 30, 1990, this limitation shall not apply to dividends received from a corporation for which with respect to a taxable period during which a valid election to be taxed under Subchapter S of Chapter 1 of the Code is in effect."

Sec. 5. G.S. 105-130.3 reads as rewritten:

" § 105-130.3. *Corporations.*--Every corporation doing business in this State shall pay annually an income tax equivalent to seven percent (7%) of its net income or the portion thereof allocated and apportioned to this ~~State~~ State, except that an S Corporation subject to the provisions of Division I-S of this Article shall not be subject to the tax levied by this section.

The net income or net loss of such corporation shall be the same as 'taxable income' as defined in the Code subject to the adjustments provided in G.S. 105-130.5.

If the entire business of the corporation is done within this State or if the corporation is not taxable in another state within the meaning of subsection (b) of G.S. 105-130.4, the tax shall be measured by the entire net income of the corporation for the income year.

If the business of the corporation is taxable both within and without this State, its entire net income or net loss shall be allocated and apportioned in accordance with the provisions of G.S. 105-130.4."

Sec. 6. This act is effective for taxable years beginning on or after July 1, 1990.

In the General Assembly read three times and ratified this the 8th day of July, 1988.

S.B. 1668

CHAPTER 1090

AN ACT TO PROVIDE STANDARDS FOR THE REMOVAL AND RETURN OF JUVENILES FROM THEIR HOMES AND TO APPROPRIATE FUNDS TO THE OFFICE OF GUARDIAN AD LITEM SERVICES UNDER THE ADMINISTRATIVE OFFICE OF THE COURTS FOR DEPENDENCY CASES.

The General Assembly of North Carolina enacts:

Section 1. G.S. 7A-516 reads as rewritten:

" § 7A-516. *Purpose.*--This ~~Article~~ Subchapter shall be interpreted and construed so as to implement the following purposes and policies:

(1) To divert juvenile offenders from the juvenile system through the intake services authorized herein so that juveniles may remain in their own homes and may be treated through community-based services when this approach is consistent with the protection of the public safety;

(2) To provide procedures for the hearing of juvenile cases that assure fairness and equity and that protect the constitutional rights of juveniles and parents; ~~and~~

(3) To develop a disposition in each juvenile case that reflects consideration of the facts, the needs and limitations of the child, the strengths and weaknesses of the family, and the protection of the public ~~safety, safety~~;

(4) To provide for services for the protection of juveniles by means that respect both the right to family autonomy and juveniles' needs for safety, continuity, and permanence; and

(5) To provide standards for the removal, when necessary, of juveniles from their homes and for the return of juveniles to their homes consistent with preventing the unnecessary or inappropriate separation of juveniles from their parents."

Sec. 2. G.S. 7A-564 reads as rewritten:

" § 7A-564. *Issuance of summons.*--~~(a) After~~ Immediately after a petition has been filed alleging that a juvenile is abused, neglected, dependent, undisciplined, or delinquent, the clerk of ~~superior court~~ shall issue a summons to the juvenile, to the parent, and to the guardian, custodian, or caretaker requiring them to appear for a hearing at the time and place stated in the summons. A copy of the petition shall be attached to each summons.

(b) A summons shall be on a printed form supplied by the Administrative Office of the Courts and shall include:

(1) Notice of the nature of the proceeding;

(2) Notice of any right to counsel and information about how to seek the appointment of counsel prior to a hearing; and

(3) Notice that, if the court determines at the hearing that the allegations of the petition are true, the court will conduct a dispositional hearing to consider the needs of the juvenile and enter an order designed to meet those needs and the objectives of the State, and that the dispositional order may remove the juvenile from the custody of the parent, guardian, or custodian.

(c) The summons shall advise the parent that upon service, jurisdiction over him is obtained and that failure of the parent to comply with any order of the court pursuant to G.S. 7A-650 may cause the court to issue a show cause order for contempt.

(d) A summons shall be directed to the person summoned to appear and shall be delivered to any ~~law enforcement officer having authority and territorial jurisdiction to execute the process~~ person authorized to serve process."

Sec. 3. G.S. 7A-574(a) reads as rewritten:

" § 7A-574. *Criteria for secure or nonsecure custody.*--(a) When a request is made for nonsecure custody, the judge shall first consider release of the juvenile to his parent, relative, guardian, custodian or other responsible adult. An order for nonsecure custody shall be made

only when there is a reasonable factual basis to believe the matters alleged in the petition are true, and

- (1) The juvenile has been abandoned; or
- (2) The juvenile has suffered physical injury or sexual abuse; or
- (3) The juvenile is exposed to a substantial risk of physical injury or sexual abuse because the parent, guardian, or custodian has created the conditions likely to cause injury or abuse or has failed to provide, or is unable to provide, adequate supervision or protection; or
- (4) The juvenile is in need of medical treatment to cure, alleviate, or prevent suffering serious physical harm which may result in death, disfigurement, or substantial impairment of bodily functions, and his parent, guardian, or custodian is unwilling or unable to provide or consent to the medical treatment; or
- (5) The parent, guardian or custodian consents to the nonsecure custody order;
- (6) The juvenile is a runaway and consents to nonsecure custody; or
- (7) The juvenile meets one or more of the criteria for secure custody but the court finds it in the best interest of the juvenile that the juvenile be placed in a nonsecure placement.

A juvenile alleged to be abused, neglected, or dependent shall be placed in nonsecure custody only when there is a reasonable factual basis to believe that there is no other reasonable means available to protect the juvenile. In no case shall a juvenile alleged to be abused, neglected, or dependent be placed in secure custody."

Sec. 4. G.S. 7A-577 is amended by adding a new subsection to read:

"(h) Any order authorizing the continued nonsecure custody of a juvenile who is alleged to be abused, neglected, or dependent shall include findings as to whether reasonable efforts have been made to prevent or eliminate the need for placement of the juvenile in custody and may provide for services or other efforts aimed at returning the juvenile home promptly. A finding that reasonable efforts have not been made to prevent or eliminate the need for placement shall not preclude the entry of an order authorizing continued nonsecure custody when the court finds that continued nonsecure custody is necessary for the protection of the juvenile. Where efforts to prevent the need for the juvenile's placement were precluded by an immediate threat of harm to the juvenile, the court may find that the placement of the juvenile in the absence of such efforts was reasonable."

Sec. 5. G.S. 7A-586 reads as rewritten:

" § 7A-586. *Appointment and duties of guardian ad litem.*--When in a petition a juvenile is alleged to be abused or neglected, the judge shall appoint a guardian *ad litem* to represent the juvenile. When a juvenile is alleged to be dependent, the judge may appoint a guardian *ad litem* to represent the juvenile. The appointment shall be made pursuant to the program established by Article 39 of this Chapter unless representation is otherwise provided pursuant to G.S. 7A-491 or G.S. 7A-492. In every case where a nonattorney is appointed as a guardian *ad litem*, an attorney shall be appointed in the case in order to assure protection of the child's legal rights within the proceeding. The duties of the guardian *ad litem* shall be to make an investigation to determine the facts, the needs of the juvenile, and the available resources within the family and community to meet those needs; to facilitate, when appropriate, the settlement of disputed issues; to explore options with the judge at the dispositional hearing; and to protect and promote the best interest of the juvenile until formally relieved of the responsibility by the judge. ~~When the appointed guardian ad litem is not an attorney licensed to practice in the State of North Carolina, he may employ an attorney when the employment is authorized by the court and pursuant to Chapter 7A or request the appointment of an attorney to appear on behalf of the juvenile in the court proceeding and to assist the guardian ad litem by performing necessary and appropriate legal services on the juvenile's behalf, to present relevant facts to the judge at the adjudicatory hearing and to appeal, when advisable, from an adjudication or order of disposition to the Court of Appeals.~~

The judge may order the Department of Social Services or the guardian *ad litem* to conduct follow-up investigations to insure that the orders of the court are being properly executed and to report to the court when the needs of the juvenile are not being met. The judge may also authorize the guardian *ad litem* to accompany the juvenile to court in any criminal action wherein he may be called on to testify in a matter relating to abuse.

The judge may grant the guardian *ad litem* the authority to demand any information or reports whether or not confidential, that may in the guardian *ad litem's* opinion be relevant to the case. Neither the physician-patient privilege nor the husband-wife privilege may be invoked to prevent the guardian *ad litem* and the court from obtaining such information. The confidentiality of the information or reports shall be respected by the guardian *ad litem* and no disclosure of any information or reports shall be made to anyone except by order of the judge."

Sec. 6. G.S. 7A-588 reads as rewritten:

" § 7A-588. *Payment of court appointed attorney or guardian ad*

litem--An attorney or guardian *ad litem* appointed pursuant to G.S. 7A-584, 7A-586 or 7A-587 of this Article or pursuant to any other provision of the Juvenile Code shall be paid a reasonable fee fixed by the court in the same manner as fees for attorneys appointed in cases of indigency or by direct engagement for specialized guardian *ad litem* services through the Administrative Office of the Courts. The judge may require payment of the attorney or guardian *ad litem* fee from a person other than the juvenile as provided in G.S. 7A-450.1, 7A-450.2 and 7A-450.3. In no event shall the parent or guardian be required to pay the fees for an appointed attorney or guardian *ad litem* in an abuse, or neglect, or dependency proceeding unless ~~abuse or neglect has been found to have occurred~~ the juvenile has been adjudicated to be abused, neglected, or dependent. A person who does not comply with the court's order of payment may be punished for contempt as provided in G.S. 5A-21."

Sec. 7. G.S. 7A-489 reads as rewritten:

" § 7A-489. *Office of Guardian ad litem Services established*--There is established within the Administrative Office of the Courts an Office of Guardian *ad litem* Services to provide services in accordance with G.S. 7A-586 to abused, and neglected, or dependent juveniles involved in judicial proceedings, and to assure that all participants in these proceedings are adequately trained to carry out their responsibilities. Beginning on July 15, 1983, and ending July 1, 1987, the Administrative Office of the Courts shall establish in phases a statewide guardian *ad litem* program comprised of local district programs to be established in all judicial districts of the State. Each local district program shall consist of volunteer guardians *ad litem*, at least one program attorney, a program coordinator who is a paid State employee, and such clerical staff as the Administrative Office of the Courts in consultation with the local district program deems necessary. The Administrative Office of the Courts shall promulgate rules and regulations necessary and appropriate for the administration of the program."

Sec. 8. G.S. 7A-491 reads as rewritten:

" § 7A-491. *Conflict of interest or impracticality of implementation*--If a conflict of interest prohibits a local district program from providing representation to an abused, or neglected, or dependent juvenile, the court may appoint any member of the district bar to represent said juvenile. If the Administrative Office of the Courts determines that within a particular judicial district the implementation of a local district program is impractical, or that an alternative plan meets the conditions of G.S. 7A-492, the Administrative Office of the Courts shall waive the establishment of the program within the district."

Sec. 9. G.S. 7A-632 reads as rewritten:

" § 7A-632. Continuances.--The judge may, for good cause, continue at any time any case to allow the hearing for as long as is reasonably required to receive additional factual evidence, social information reports, or assessments that the court has requested, or other information needed in the best interest of the juvenile or in the interest of justice and to allow for a reasonable time for the parties to conduct expeditious discovery. Otherwise, continuances shall be granted only in extraordinary circumstances when necessary for the proper administration of justice or in the best interest of the juvenile."

Sec. 10. G.S. 7A-651 reads as rewritten:

" § 7A-651. Dispositional order.--(a) The dispositional order shall be in writing and shall contain appropriate findings of fact and conclusions of law. The judge shall state with particularity, both orally and in the written order of disposition, the precise terms of the disposition including the kind, duration and the person who is responsible for carrying out the disposition and the person or agency in whom custody is vested.

(b) A dispositional order under which a juvenile is removed from the custody of a parent or person standing in loco parentis shall direct that the review hearing required by G.S. 7A-657 be held within six months of the date of the juvenile's placement in custody and, if practicable, shall set the date and time for the review hearing.

(c) Any order directing placement of a juvenile in foster care shall also contain:

- (1) A finding that the juvenile's continuation in or return to his own home would be contrary to the juvenile's best interest; and
- (2) Findings as to whether reasonable efforts have been made to prevent or eliminate the need for placement of the juvenile in foster care. A finding that reasonable efforts were not made to prevent or eliminate the need for placement shall not preclude entry of a dispositional order authorizing placement in foster care when the court finds that such placement is needed for protection of the juvenile. When efforts to prevent the need for the juvenile's placement are precluded by an immediate threat of harm to the juvenile, the court may find that placement of the juvenile in the absence of such efforts is reasonable.

The order may provide for services or other efforts aimed at returning the juvenile home.

(d) An order that places a juvenile in the custody of a county department of social services for placement shall specify that the juvenile's placement and care are the responsibility of the county department of social services and that the county department is to

provide or arrange for the foster care or other placement of the juvenile."

Sec. 11. G.S. 7A-657 is amended by adding a new subsection to read:

"(e) The provisions of subsections (b), (c), and (d) of G.S. 7A-651 shall apply to any order entered under this section which continues the foster care placement of a juvenile."

Sec. 12. G.S. 7A-668 reads as rewritten:

"§ 7A-668. *Disposition pending appeal.*--Pending disposition of an appeal, the release of the juvenile, with or without conditions, should issue in every case unless the judge orders otherwise. For compelling reasons which must be stated in writing, the judge may enter a temporary order affecting the custody or placement of the juvenile as he finds to be in the best interest of the juvenile or the State. The provisions of subsections (b), (c), and (d) of G.S. 7A-651 shall apply to any order entered under this section which provides for the placement or continued placement of a juvenile in foster care."

Sec. 13. Of funds appropriated to the Administrative Office of the Courts for fiscal year 1988-89, the sum of one thousand five hundred fifty-three dollars (\$1,553.00) may be used to implement the start-up costs of Sections 5, 6, 7, and 8 of this act. Funding to pay the attorneys representing dependent juveniles under Sections 5, 6, 7, and 8 of this act shall come from the Indigent Persons Attorney Fee Fund.

Sec. 14. Sections 5, 6, 7, 8, and 13 of this act shall become effective June 1, 1989. The remainder of this act is effective upon ratification and shall apply to all petitions filed on or after the date of ratification of this act and to all review hearings held on or after the date of ratification of this act.

In the General Assembly read three times and ratified this the 8th day of July, 1988.

S.B. 1620

CHAPTER 1091

AN ACT TO REQUIRE ACTUARIAL NOTES FOR CHANGES IN HEALTH, DISABILITY, AND RELATED BENEFITS FOR TEACHERS AND STATE EMPLOYEES.

The General Assembly of North Carolina enacts:

Section 1. G.S. 120-112 reads as rewritten:

"§ 120-112. *Title.* This Article may be cited as the '~~Retirement Systems~~ Legislative Actuarial Note Act'."

Sec. 2. G.S. 120-113 reads as rewritten:

"§ 120-113. *Duties and functions of Fiscal Research Division.*--(a)

The Fiscal Research Division of the Legislative Services Commission of the General Assembly shall have authority to evaluate on a continuing basis all aspects of any State, municipal, or other retirement system, funded in whole or in part out of public funds, and all aspects of any program of hospital, medical, disability, or related benefits provided for teachers and State employees, funded in whole or in part by State funds, as to actuarial soundness. The Fiscal Research Division shall make periodic detailed reports ~~both~~ to the General Assembly ~~and the Governor~~ specifically setting forth the findings of such evaluations. In conducting its evaluations the division shall have complete access ~~to all books and accounts of the retirement systems without charge to all books, accounts, and personnel of the retirement systems, and to all books, accounts, and personnel of agencies and contractors charged with providing programs of hospital, medical, disability, or related benefits for teachers and State employees.~~

(b) No provision of this Article shall be deemed or in any way construed to preclude the authority of any retirement system funded in whole or in part out of public funds to hire an actuary for any such retirement system. No provision of this Article shall be deemed or in any way construed to preclude the authority of any program of hospital, medical, disability, or related benefits provided for teachers and State employees, funded in whole or in part by State funds, to hire an actuary for any such program.

(c) The Fiscal Research Division shall, in addition to the powers and functions conferred by this Article, render such assistance as the Legislative Services Commission may require with respect to any other matter requiring actuarial evaluations."

Sec. 3. G.S. 120-114 reads as rewritten:

" § 120-114. *Actuarial notes.*--(a) Every bill, joint resolution, and simple or concurrent resolution introduced in the General Assembly proposing any change in the law relative to any State, municipal, or other retirement system, funded in whole or in part out of public funds, or any program of hospital, medical, disability, or related benefits provided for teachers and State employees, funded in whole or in part by State funds, shall have attached to it at the time of its consideration by any committee of either house of the General Assembly a brief explanatory statement or note which shall include a reliable estimate of the financial and actuarial effect of the proposed change in any such retirement system or program of hospital, medical, disability, or related benefits. This actuarial note shall be attached to the original of each proposed bill or resolution which is reported favorably by any committee of either house of the General Assembly, but shall be separate therefrom, shall be clearly designated as an actuarial note and shall not constitute a part of the law or other

provisions or expression of legislative intent proposed by the bill or resolution.

(b) The author of each bill or resolution shall present a copy of the bill or resolution, with his request for an actuarial note, to the Fiscal Research Division which shall have the duty to prepare said actuarial note as promptly as possible. Actuarial notes shall be prepared ~~in the order of receipt of request for such notes but shall be~~ and transmitted to the author or authors ~~of the measure in quintuplicate~~ no later than two weeks after the request for the actuarial note is made, unless an extension of time is agreed to by the author or authors as being necessary in preparation of the note. Any person who signs an actuarial note knowing it to contain false information shall be fined not more than five hundred dollars (\$500.00) or imprisoned not more than six months, or both.

(c) The author of each bill or resolution shall also present a copy of the bill or resolution to any actuary employed by the retirement system, or to any actuary employed by a program of hospital, medical, disability, or related benefits provided for teachers and State employees, affected by the bill or resolution in question. ~~Such actuary shall prepare an actuarial note and transmit it to~~ Actuarial notes shall be prepared and transmitted to the author or authors of the measure in quintuplicate no later than two weeks after the request for the actuarial note is received, unless an extension of time is agreed to by the author or authors as being necessary in preparation of the note. Any person who signs an actuarial note knowing it to contain false information shall be fined not more than five hundred dollars (\$500.00) or imprisoned not more than six months, or both. The provisions of this subsection may be waived for any local government retirement or pension plans not administered by the State, and for any local government program of hospital, medical, disability, or related benefits for local government employees not administered by the State.

(d) The note shall be factual and shall, if possible, provide a reliable estimate of both the immediate effect and, if determinable or reasonably foreseeable, the long range fiscal and actuarial effect of the measure. If, after careful investigation, it is determined that no dollar estimate is possible, the note shall contain a statement to that effect, setting forth the reasons why no dollar estimate can be given. No comment or opinion shall be included in the actuarial note with regard to the merits of the measure for which the note is prepared. However, technical and mechanical defects may be noted.

(e) At any time any committee of either house reports any legislative instrument, to which an actuarial note or notes are attached at the time of committee consideration, with any amendment of such nature as would substantially affect the cost to or the revenues of any retirement

system, or program of hospital, medical, disability, or related benefits for teachers and State employees, as stated in the actuarial note or notes attached to the measure at the time of such consideration, it shall be the responsibility of the chairman of the committee reporting such instrument to obtain from the Fiscal Research Division an actuarial note of the fiscal and actuarial effect of the change proposed by the amendment reported. Such actuarial note shall be attached to the report of the committee on the measure as a supplement thereto. A floor amendment to a bill or resolution to which an actuarial note was attached at the time of committee consideration of the bill or resolution shall not be in order, if the amendment affects the costs to or the revenues of a retirement system, or program of hospital, medical, disability, or related benefits provided for teachers and State employees, unless the amendment is accompanied by an actuarial note, prepared by the Fiscal Research Division, as to the actuarial effect of the amendment."

Sec. 4. G.S. 120-112.5 reads as rewritten:

"(5) Analyze each item of proposed pension and retirement legislation in accordance with Article 15 of Chapter 120 of the General Statutes. ~~'The Retirement Systems Actuarial Note Act.'~~"

Sec. 5. G.S. 135-39.5 reads as rewritten:

"§ 135-39.5. Powers and duties of the Executive Administrator and Board of Trustees.--The Executive Administrator and Board of Trustees of the Teachers' and State Employees' Comprehensive Major Medical Plan shall have the following powers and duties:

- (1) Supervising and monitoring of the Claims Processor.
- (2) Providing for enrollment of employees in the Plan.
- (3) Communicating with employees enrolled under the Plan.
- (4) Communicating with health care providers providing services under the Plan.
- (5) Making payments at appropriate intervals to the Claims Processor for benefit costs and administrative costs.
- (6) Conducting administrative reviews under G.S. 135-39.7.
- (7) Annually assessing the performance of the Claims Processor.
- (8) Preparing and submitting to the Governor and the General Assembly cost estimates for the health benefits plan, including those required by Article 15 of Chapter 120 of the General Statutes.
- (9) Recommending to the Governor and the General Assembly changes or additions to the health benefits program and health care cost containment programs, together with statements of financial and actuarial effects as required by Article 15 of Chapter 120 of the General Statutes.

(10) Working with State employee groups to improve health benefit programs.

(12) Determining basis of payments to health care providers, including payments in accordance with G.S. 58-260.6.

(13) Requiring bonding of the Claims Processor in the handling of State funds.

(15) In case of termination of the contract under G.S. 135-39.5A, to select a new Claims Processor, after competitive bidding procedures approved by the Department of Administration.

(16) Notwithstanding the provisions of Part 3 of this Article, to formulate and implement cost-containment measures which are not in direct conflict with that Part.

(17) Implementing pilot programs necessary to evaluate proposed cost containment measures which are not in direct conflict with Part 3 of this Article, and expending funds necessary for the implementation of such programs.

(18) Authorizing coverage for alternative forms of care not otherwise provided by the Plan in individual cases when medically necessary, medically equivalent to services covered by the Plan, and when such alternatives would be less costly than would have been otherwise."

Sec. 6. This act shall become effective January 1, 1989.

In the General Assembly read three times and ratified this the 8th day of July, 1988.

H.B. 2642

CHAPTER 1092

AN ACT TO AUTHORIZE THE CONSTRUCTION AND THE FINANCING, WITHOUT APPROPRIATIONS FROM THE GENERAL FUND, OF CERTAIN CAPITAL IMPROVEMENTS PROJECTS OF THE UNIVERSITY OF NORTH CAROLINA.

The General Assembly of North Carolina enacts:

Section 1. The purpose of this act is to authorize construction, by The University of North Carolina, of the capital improvements projects listed herein, and to authorize the financing of these said capital improvements projects, with funds available to the institutions from gifts, grants, receipts, self-liquidating indebtedness, or other funds, or any combination of such funds, but not including funds appropriated from the General Fund of the State.

Sec. 2. The projects authorized to be constructed and financed as provided in Section 1 of this act are as follows:

- (1) Elizabeth City State University
 - a. Dormitory for 200 Students \$ 3,179,800

(2) Fayetteville State University	
a. Renovation of Five Residence Halls	1,574,500
(3) North Carolina Agricultural and Technical State University	
a. Renovation of Six Dormitories	3,500,000
(4) North Carolina Central University	
a. Chidley Dormitory Renovation	<u>3,000,000</u>

Grand Total Self-Liquidating
Authorizations \$11,254,300

Sec. 3. This act is effective upon ratification.

In the General Assembly read three times and ratified this the 8th day of July, 1988.

H.B. 2656

CHAPTER 1093

AN ACT PROVIDING FOR THE LEGISLATIVE RESEARCH COMMISSION TO STUDY THE THREE NORTH CAROLINA AQUARIUMS AND THE ISSUE OF CHARGING A FEE FOR ADMISSION TO THOSE MUSEUMS, WITH THOSE FEES BEING USED TO PLAN, CONSTRUCT, OPERATE, AND SUPPORT LIVE MARINE MAMMAL PAVILIONS AND REHABILITATION FACILITIES AT THOSE AQUARIUMS.

The General Assembly of North Carolina enacts:

Section 1. The Legislative Research Commission shall study and report to the 1989 General Assembly the operation of the three North Carolina Aquariums, and whether an admission fee should be charged, with the fees being used to plan, construct, operate, and support live marine mammal pavilions and rehabilitation facilities at these aquariums.

Sec. 2. This act is effective upon ratification.

In the General Assembly read three times and ratified this the 8th day of July, 1988.

S.B. 1840

CHAPTER 1094

AN ACT TO APPROPRIATE FUNDS FOR CERTAIN GOVERNMENTAL AND NON-GOVERNMENTAL ENTITIES.

The General Assembly of North Carolina enacts:

PART I.-----LOCAL FUNDS

Section 1. Appropriations are made from the General Fund for the 1988-89 fiscal year, unless otherwise specified, to the grantees and for the public purposes listed in this part.

S1571 SOUTHEASTERN RADIO READING FUNDS

Twenty-four thousand dollars (\$24,000) to Southeastern North Carolina Radio Reading Service, Inc., for capital or operating expenses to locate a radio reading service station in Fayetteville, on the campus of Fayetteville State University, in facilities provided by the University and with hookups provided by the University. Southeastern North Carolina Radio Reading Service, Inc., is a nonprofit corporation that provides broadcasts for the blind and the visually impaired.

S1572 MYROVER-REESE FELLOWSHIP HOME FUNDS

Eleven thousand dollars (\$11,000) to the Department of Human Resources, Division of Mental Health, Mental Retardation, and Substance Abuse Services, for the Cumberland County Area Mental Health, Mental Retardation, and Substance Abuse Authority for the construction of a new building for the Myrover-Reese Fellowship Home, Inc., a facility for substance abusers.

S1575 LOUISBURG SENIOR CENTER FUNDS

Thirty-five thousand dollars (\$35,000) to the Town of Louisburg to assist in the construction of a senior citizens center in the Town of Louisburg.

S1590 ASHEVILLE CHAMBER MUSIC FUNDS

Two thousand five hundred dollars (\$2,500) to Asheville Chamber Music, Inc., for the endowment trust fund to enable Asheville Chamber Music, Inc., to continue to provide chamber music to Asheville and the surrounding area. These funds shall be matched by local funds on the basis of two dollars (\$2.00) of local funds for every one dollar (\$1.00) of State funds.

S1595 IREDELL DEVELOPMENTAL CENTER FUNDS

Ten thousand dollars (\$10,000) to Iredell Developmental Day Centers, Inc., to be used to match sixty thousand dollars (\$60,000) of other funds to complete the expansion of its Adult Learning Center Building project to serve a waiting list of severely developmentally-disabled adult clients.

S1607 ALEXANDER HANDYCRAFTS FUNDS

Twenty-five thousand dollars (\$25,000) to the Foothills Area Mental Health, Mental Retardation, and Substance Abuse Program for Alexander Handycrafts, an Adult Developmental Activity Program which provides day services to 30 handicapped adults in Alexander County, for the construction of a new facility to house Alexander Handycrafts.

S1623 YADKIN COUNTY SENIOR CENTER FUNDS

Twenty-five thousand dollars (\$25,000) to the Yadkin Valley Economic Development District, Incorporated, a State-assisted local Community Action Agency, to assist in construction, renovation, and furnishing costs for the Yadkin County Senior Center.

S1624 HIDDENITE CENTER FUNDS

Five thousand dollars (\$5,000) to the Hiddenite Center, Inc., to assist with preparing and showing exhibits of historical and cultural interest to students in the Alexander County public schools.

S1633 CATAWBA COUNTY VISITORS FUNDS

Ten thousand dollars (\$10,000) to the Catawba County Chamber of Commerce, Inc., for expansion of the Catawba County Visitor Information Center facilities.

S1634 CATAWBA PRETRIAL RELEASE FUNDS

Twenty thousand dollars (\$20,000) to Catawba County for a pretrial release pilot program to implement the recommendations of an Institute of Government study concerning conservation of the jail facilities in the County.

S1635 CATAWBA SHELTERED WORKSHOP FUNDS

Ten thousand dollars (\$10,000) to the Catawba County Association for Special Education, Inc., for the purchase of a bus to transport handicapped clients to and from the sheltered workshop.

S1636 CATAWBA HISTORICAL ASSN. FUNDS

Ten thousand dollars (\$10,000) to the Town of Catawba Historical Association, Inc., for the restoration and renovation of the Dr. Quintus M. Little House in Catawba. This appropriation shall not require matching funds.

S1637 CATAWBA OPERATIONS BASE FUNDS

Ten thousand dollars (\$10,000) to Catawba County to assist in the construction of a rescue and emergency medical services operations

base to serve southeastern Catawba County.

S1641 CUMBERLAND TEACHER DEVELOPMENT FUNDS

Ten thousand dollars (\$10,000) to Cumberland Community Foundation, Inc., in Cumberland County for mini-grants for teacher staff development.

S1656 JONES AGRICULTURAL CENTER FUNDS

Fifty thousand dollars (\$50,000) to Jones County for operating expenses and capital expenditures of the Jones County Agricultural Center.

S1657 HARVEY GARDENS FUNDS

Twenty thousand dollars (\$20,000) to the City of Kinston for the completion of Harvey Gardens.

S1659 MCELROY HOUSE FUNDS

Ten thousand dollars (\$10,000) to the Yancey History Association for the preservation and renovation of the historic McElroy House.

S1660 APPALACHIAN THEATER FUNDS

Ten thousand dollars (\$10,000) to Mars Hill College, in Madison County, for capital improvements for the Southern Appalachian Repertory Theater to expand and develop theater programs.

S1666 CRANBERRY SCHOOL RENOVATION FUNDS

Twenty-five thousand dollars (\$25,000) to the Cranberrian Corporation for renovation of the old Cranberry High School, an historic site in Avery County.

S1669 CALDWELL OPPORTUNITIES FUNDS

Fifteen thousand dollars (\$15,000) to Caldwell Opportunities, Inc., a facility for the handicapped in Caldwell County, to be used for operating expenses.

S1670 WILKES DAY CARE FUNDS

Fourteen thousand dollars (\$14,000) to the Wilkes Day Care Association, Inc., in Wilkes County, for capital improvements necessary to expand its facility for handicapped children.

S1671 CRANBERRY SCHOOL RENOVATION FUNDS

Fifteen thousand dollars (\$15,000) to the Cranberrian Corporation for renovation of the old Cranberry High School, an historic site in Avery County.

S1672 GRASSY CREEK FIRE/RESCUE FUNDS

Ten thousand dollars (\$10,000) to Mitchell County for capital improvements for the Grassy Creek Volunteer Fire Department, Inc., and the Grassy Creek Rescue Squad, Inc.

S1673 CALDWELL RESIDENTIAL SERVICES FUNDS

Eleven thousand dollars (\$11,000) to Caldwell Residential Services, Inc., in Caldwell County to assist in funding its Emergency Youth Shelter, which provides temporary shelter for children from infancy to 18 years of age, and its Independent Living Program, which will focus on teaching foster children between the ages of 16 and 19 such skills as budgeting, time management, career planning, and relationship building. Each group home will serve five children who are unable to live with their families due to a history of chronic abuse and/or neglect.

S1678 ROGER PAGE CENTER FUNDS

Ten thousand dollars (\$10,000) to the Winston-Salem Business and Technology Center, Inc., for the Roger Page Business and Technical Center, to encourage and develop the region's small business economy.

S1681 OLD SALEM FUNDS

Thirty thousand dollars (\$30,000) to Old Salem, Inc., to be used in interpreting the history and culture of eighteenth century Piedmont North Carolina for school children and adult visitors. These funds may not become part of the continuation budget. Any funds that are not expended by June 30, 1989, may not revert to the General Fund, but shall remain available for use by Old Salem, Inc.

S1683 FORSYTH HUMAN RESOURCES FUNDS

Seven thousand dollars (\$7,000) to the Experiment in Self-Reliance, Inc., to help support its programs for disadvantaged people of Forsyth County.

Four thousand dollars (\$4,000) to LIFT, Inc., for the Lift Learning Center and Academy, to provide educational counseling support services to at-risk youth of Forsyth County.

Two thousand dollars (\$2,000) to the Neighborhood Justice Center of Winston-Salem/Forsyth County, Inc., to assist in resolving disputes through mediation as a confidential alternative to the courts.

Three thousand dollars (\$3,000) to the United Negro College Fund, Winston-Salem Area Office, to award scholarships and financial aid to needy students.

Seven thousand dollars (\$7,000) to the Winston-Salem/Forsyth County Council on the Status of Women, Inc., to fund the Council's Job Strategy Center.

Two thousand dollars (\$2,000) to the Winston-Salem Branch of the National Association for the Advancement of Colored People for the Education Committee for its after-school tutorial program for students who are deficient in math and reading.

Three thousand dollars (\$3,000) to the Young Men's Christian Association of Winston-Salem and Forsyth County for the Winston-Lake Family YMCA for camperships for boys from low-income families.

Five thousand dollars (\$5,000) to the Young Women's Christian Association of Winston-Salem and Forsyth County for camperships for girls from low-income families.

Nine thousand dollars (\$9,000) to the North Carolina Baptist Hospitals, Inc., for direct care of patients on a needs basis at Brenner Children's Hospital.

Eight thousand dollars (\$8,000) to Family Services, Inc., of Forsyth County, to assist in renovation of the Battered Women's Shelter.

S1686 HIGH POINT SENIOR CENTER FUNDS

Ten thousand dollars (\$10,000) to the City of High Point, in Guilford County, to purchase a building that will be used as a much needed Senior Center.

S1687 PRISON AND JAIL PROJECT FUNDS

Three thousand dollars (\$3,000) to The Prison & Jail Project, Inc., of Durham County for operating expenses of its programs designed to provide alternatives to prison and jail.

S1688 CABARRUS SENIOR CENTER FUNDS

Twenty thousand dollars (\$20,000) to Cabarrus County to build and support a new Cabarrus County Senior Citizens Center.

S1690 CABARRUS-MECKLENBURG V.F.D. FUNDS

Thirty-eight thousand dollars (\$38,000), at two thousand dollars (\$2,000) each, to the following fire departments for operating expenses and equipment:

- (1) Flowe's Store Volunteer Fire Department, Inc.
- (2) Midland Volunteer Fire Department, Inc.
- (3) Jackson Park Volunteer Fire Department, Inc.

- (4) Mt. Mitchell Volunteer Fire Department, Inc.
- (5) Winecoff Volunteer Fire Department, Inc.
- (6) Odell Volunteer Fire Department, Inc.
- (7) Cold Water Volunteer Fire Department, Inc.
- (8) Poplar Tent Volunteer Fire Department, Inc.
- (9) North East Cabarrus County Volunteer Fire Department, Inc.
- (10) Harrisburg Volunteer Fire Department, Inc.
- (11) Rimer Volunteer Fire Department
- (12) Kannapolis Fire Department
- (13) Allen Volunteer Fire Department, Inc.
- (14) Georgeville Volunteer Fire Department, Inc.
- (15) Pitts Volunteer Fire Department, Inc.
- (16) Matthews Morning Star Fire Department
- (17) Idlewild Volunteer Fire Department, Inc.
- (18) Concord Fire Department
- (19) Mint Hill Volunteer Fire Department for the Fire Department and Emergency Ambulance Service.

S1693 BERTIE HIGH SCHOOL CHORUS FUNDS

Two thousand dollars (\$2,000) to the Bertie County Board of Education for the Bertie High School Chorus.

S1696 WHITE OAK LITTLE LEAGUE FUNDS

Seven thousand dollars (\$7,000) to Onslow County for the White Oak Little League Association in Onslow County to install lights at the baseball field to make the field safer for evening games.

S1697 STONY POINT VOL. FIRE DEPT. FUNDS

Twenty-five thousand dollars (\$25,000) to the Stony Point Volunteer Fire Department, Inc., of Iredell County for demolition, removal, renovation, or construction of buildings on land owned by the Stony Point Volunteer Fire Department, Inc.

S1698 CHARLOTTE AFRO-AMERICAN CULTURAL FUNDS

Five thousand dollars (\$5,000) to the Charlotte Mecklenburg Afro-American Cultural and Service Center, Inc., for operating expenses to preserve and display historical materials, to provide cultural outreach programs for the entire Charlotte Community, and to restore "shotgun houses".

S1700 HERTFORD-BERTIE SAFETY FUNDS

Three thousand dollars (\$3,000) to The Harrellsville Volunteer Fire Department, Inc., of Hertford County to purchase turn-out gear.

Three thousand dollars (\$3,000) to the Aulander Volunteer Rescue Squad, Inc., of Bertie County for operating expenses and equipment.

Four thousand dollars (\$4,000) to the Lewiston-Woodville Fire and Rescue Department, Inc., of Bertie County for operating expenses and equipment.

S1701 CUMBERLAND COMMUNITY FUNDS

Five thousand dollars (\$5,000) to the Southeastern Cumberland County Rural Community Association, Inc., for the Association's community service programs, including after-school programs and programs for adults and senior citizens, and for playground equipment and air conditioning needed by the Association to continue to serve the people in Southeastern Cumberland County and the surrounding area.

Five thousand dollars (\$5,000) to Cumberland Community Action Program, Inc., for an activity bus to transport members of the community to and from the public service activities provided by the Program.

S1702 CHRISTMAS TREE MARKETING FUNDS

Ten thousand dollars (\$10,000) to The North Carolina Christmas Tree Association for the development and implementation of a marketing program for North Carolina-grown Christmas trees.

S1703 FORSYTH CULTURAL RESOURCES FUNDS

Twenty-five thousand dollars (\$25,000) to The Arts Council, Inc., in Forsyth County to promote the arts.

Three thousand dollars (\$3,000) to Historic Bethabara Park, Inc., in Forsyth County for its restoration project for archaeological investigation and subsequent exhibition of the historically significant Bethabara Community Gardens site.

Six thousand dollars (\$6,000) to The Little Theatre of Winston-Salem, Inc., in Forsyth County to continue to provide dramatic theatre and other cultural programs to the public.

Six thousand dollars (\$6,000) to the Piedmont Opera Theater, Inc., in Forsyth County for operations to enable the Theater to continue to provide opera and other musical theatre to the public.

Five thousand dollars (\$5,000) to the Winston-Salem Delta Fine Arts, Inc., in Forsyth County to assist in providing arts and humanities programs, including exhibitions, classes, workshops, lectures, and performances by professional artists to the community, many of which are free of charge.

Five thousand dollars (\$5,000) to the North Carolina Black Repertory Company, Inc., in Forsyth County, to bring actors of national celebrity to this State to perform with the company, and to

assist in training local actors of the company.

Ten thousand dollars (\$10,000) to the Winston-Salem Symphony Association, Inc., in Forsyth County, to continue its support of public programs which enrich the entire community.

S1705 DURHAM EDUCATION/TRAINING FUNDS

Five thousand dollars (\$5,000) to Operation Breakthrough, Inc., for its educational and training programs for the youth of Durham County.

Five thousand dollars (\$5,000) to the Durham Housing Authority for its educational and training programs for youth of Durham County.

Three thousand dollars (\$3,000) to the John Avery Boy's Club for its educational and training programs for the boys and girls of Durham County.

S1706 ORANGE-PERSON-GRANVILLE HUMAN SERVICES FUNDS

Ten thousand dollars (\$10,000) to the Cedar Grove Day Care Center, Inc., in Orange County, for operating expenses.

Twenty thousand dollars (\$20,000) to Person County Memorial Hospital, Incorporated, for operating expenses.

Twenty thousand dollars (\$20,000) to the Oxford Business and Professional Chain, Incorporated, in Granville County for its senior citizens program.

S1707 DURHAM RSVP FUNDS

Four thousand dollars (\$4,000) to the Department of Community Colleges for Durham Technical Community College for operating expenses of its Retired Senior Volunteer Program (RSVP) in Durham County.

S1709 HIGH POINT-GREENSBORO CULTURAL FUNDS

Twenty-four thousand dollars (\$24,000) to the United Arts Council of Greensboro, Inc., in Guilford County, for relocation expenses, and operating expenses needed to continue to provide arts programs and educational outreach programs to the people of Greensboro.

Ten thousand dollars (\$10,000) to the High Point Arts Council, Inc., in Guilford County, to be allocated among the Council's funded members for operating expenses to continue to provide arts programs and educational outreach programs to the people of High Point.

Three thousand dollars (\$3,000) to the William Penn Foundation, of Guilford County, for the continuing restoration of the historic William Penn High School Auditorium.

Two thousand five hundred dollars (\$2,500) to the Young Artists Opera Theatre, of Guilford County, for operating expenses in presenting the people of Greensboro and the region both contemporary chamber music and lesser known classical opera, and in providing performance opportunities to young professional singers in the region through fully staged productions of opera. These funds will draw down Fletcher Foundation matching funds.

S1713 RUFTY-HOLMES SENIOR CENTER FUNDS

Six thousand dollars (\$6,000) to the Evergreen Senior Activity Center, Inc., in Rowan County to finish curbing the driveway behind the Ruffy-Holmes Senior Center and to complete grading work to provide access to the Center's recreation area.

S1714 CLEVELAND-GASTON-LINCOLN HUMAN SER. FUNDS

Ten thousand dollars (\$10,000) to the Cleveland County Chapter of the American Red Cross, a United Way Agency, to aid in the purchase of a van.

Five thousand dollars (\$5,000) to the Cleveland County Girls Club, Inc., for operating expenses in providing its public service programs for youth.

Five thousand dollars (\$5,000) to Cleveland County Abuse Prevention Council, Inc., for operating expenses in providing abuse prevention services.

Five thousand dollars (\$5,000) to the Youth Assistance Program of Cleveland County, Inc., for operating expenses in providing services for young people in crisis.

Five thousand dollars (\$5,000) to Child Abuse Prevention Services, Inc., of Cleveland County, for operating expenses in providing child abuse prevention services.

Five thousand dollars (\$5,000) to Gaston County Children's Council, Inc., for operating expenses in providing its services to children and their families.

Five thousand dollars (\$5,000) to Gaston County for the Gaston County Community-Based Alternatives Task Force for operating expenses in examining community-based alternatives to training school for delinquent youths.

Five thousand dollars (\$5,000) to United Way of Gaston County, Inc., for the Gaston Adolescent Health Council, for operating expenses in providing health and health education services to adolescents in Gaston County.

Five thousand dollars (\$5,000) to Hospice of Lincoln County, Inc., to establish a new organization to provide compassionate care to the terminally ill and their families.

Five thousand dollars (\$5,000) to the Department of Human Resources, Division of Social Services, for Companions/Governor's One-on-One Volunteer Program in Lincoln County for operating expenses in providing one-on-one volunteers for youth in crisis.

S1715 WAKE COUNTY COMMUNITY FUNDS

Three thousand five hundred dollars (\$3,500) to the Town of Fuquay-Varina in Wake County for operating expenses of recreational activities in the Town.

Five thousand dollars (\$5,000) to the Capital Area Soccer League, Inc., in Wake County for operating expenses of its soccer program for the youth in the County.

One thousand dollars (\$1,000) to the Town of Erwin for operating expenses for a recreation center.

One thousand dollars (\$1,000) to Harnett County Uplift Operations, Inc., for capital or operating expenses for its public service programs to assist minority business development.

One thousand dollars (\$1,000) to the Apex Volunteer Fire Department, Rural Service, Inc., in Wake County for operating expenses or capital expenditures.

S1719 RUTHERFORD-GASTON COMMUNITY RESOURCES FUNDS

Five thousand dollars (\$5,000) to Rutherford County Library, Inc., for needed reference materials.

Five thousand dollars (\$5,000) to Rutherford County Arts Council, Inc., for operating expenses in providing arts activities and educational outreach programs in Rutherford County.

Twenty thousand dollars (\$20,000) to the Schiele Museum of Natural History and Planetarium, Inc., in Gaston County, for operating expenses.

Five thousand dollars (\$5,000) to the Town of Dallas in Gaston County for beautification.

S1724 EASTERN COMMUNITY REVITALIZATION FUNDS

Two thousand dollars (\$2,000) to Northampton County for renovation of the Northampton County Courthouse.

Three thousand dollars (\$3,000) to the Town of Scotland Neck for renovation of the school auditorium.

Two thousand dollars (\$2,000) to the Town of Oak City for a beautification project.

S1725 EASTERN CULTURAL FUNDS

Four thousand dollars (\$4,000) to The Gallery Theatre, Inc., of

Hertford County to replace the roof of the Theatre, which is a community theater.

Two thousand five hundred dollars (\$2,500) to the Lakeland Cultural Arts Center, Inc., of Halifax County for continuation of programs and projects to promote the cultural arts in Halifax County.

Ten thousand dollars (\$10,000) to the Murfreesboro Historical Association, Inc., in Hertford County, for capital improvements at Hertford Academy.

Two thousand five hundred dollars (\$2,500) to the Gates County Historical Society to continue restoration and improvement of the old Gates County Courthouse and Annex.

Two thousand dollars (\$2,000) to the Department of Cultural Resources, Division of Archives and History, to stabilize, restore, and rehabilitate the old Martin County Courthouse in Williamston.

Fifty thousand dollars (\$50,000) to Historic Hope Foundation, Inc., for capital improvements to its historic properties.

S1726 EASTERN HUMAN SERVICES FUNDS

Two thousand five hundred dollars (\$2,500) to Choanoke Area Development Association of North Carolina, Inc., for general operating funds for its public service programs.

Two thousand five hundred dollars (\$2,500) to the Rural Day Care Association of Northeastern North Carolina for the continuation of public service programs and projects.

Five thousand dollars (\$5,000) to the Northeast Center for Human Development in Bertie County to continue its public service programs, which include services for the elderly, community recreation programs, continuing education programs, and child development programs.

Seven thousand dollars (\$7,000) to the 4-H Youth Day Camp, Inc., in Halifax County, to continue building renovations to enable the Camp to continue serving youth in its camp program.

Three thousand dollars (\$3,000) to Hertford County for operating expenses for the Hertford County Senior Citizens Center in Winton.

S1727 DAVIDSON ANIMAL FUNDS

Twenty-five thousand dollars (\$25,000) to Davidson County for capital expenses for the county animal shelter.

S1728 ONSLOW HUMAN SERVICES FUNDS

Ten thousand dollars (\$10,000) to Onslow Coordinating Council on Aging, Inc., for operating expenses of its programs that promote and improve the well-being of older adults.

Five thousand dollars (\$5,000) to Onslow Hospice, Incorporated,

which provides compassionate care to the terminally ill and their families, for operating expenses.

Ten thousand dollars (\$10,000) to Carobell Children's Home, Inc., a home for severely handicapped children, to be used toward the cost of replacing a van to transport residents.

Fifteen thousand dollars (\$15,000) to Region P Human Development Agency, Inc., to provide hot, nutritional meals to low-income elderly citizens who live in a rural area and are homebound.

S1729 HOKE-ROBESON COMMUNITY SERVICES FUNDS

Ten thousand dollars (\$10,000) to the Flora MacDonald Educational Foundation, Inc., whose facilities are used for community affairs and educational purposes, to repair the floor and install air conditioning in the dining room.

Five thousand dollars (\$5,000) to Southside School Alumni Association to renovate the Southside School Building in the Town of Rowland in Robeson County for use as a community center.

Five thousand dollars (\$5,000) to the Town of Saint Pauls in Robeson County for repairs to the Saint Pauls Community Building.

Five thousand dollars (\$5,000) to the Town of Rowland for the V.F.W. Post 9158 in the Town of Rowland for repairs to the V.F.W. building, which is used by veterans and for community functions.

Fifteen thousand dollars (\$15,000) to North Carolina Turkey Festival, Inc., to promote the North Carolina Turkey Festival held in Hoke County.

Five thousand dollars (\$5,000) to Hoke County Reading-Literacy Council, Inc., to assist in the teaching of persons who are illiterate.

Five thousand dollars (\$5,000) to Hoke County Committee of 100's, Inc., for the industrial and economic development of Hoke County.

Five thousand dollars (\$5,000) to the Town of Parkton in Robeson County to repair the Parkton Recreational Center and to purchase equipment.

S1731 UNAKA CENTER FUNDS

Seven thousand five hundred dollars (\$7,500) to the Unaka Center, Inc., for purchase of a small truck to be used in the programs operated in conjunction with the local Vocational Rehabilitation office in the Selected Employment Program.

S1732 YANCEY E.M.S. AND RESCUE FUNDS

One thousand dollars (\$1,000) to Yancey County for its Emergency Medical Services to purchase equipment.

Two thousand dollars (\$2,000) to Yancey County Rescue Squad to purchase equipment.

S1733 CLEVELAND-LINCOLN CULTURAL FUNDS

Five thousand dollars (\$5,000) to the Cleveland County Arts Council, Inc., for operating expenses in providing arts and educational outreach programs to the people of Cleveland County.

Five thousand dollars (\$5,000) to the Lincoln Cultural Development Center, Inc., of Lincoln County, for operating expenses of the Center's facility.

Five thousand dollars (\$5,000) to the Cleveland County Memorial Library for operating expenses in meeting the demands of an expanding reading public.

S1734 CLEVELAND-RUTHERFORD HUMAN SERVICES FUNDS

Five thousand dollars (\$5,000) to the Shelter Home of Cleveland County, Inc., to help purchase a van needed to provide transportation for the Shelter Home.

Five thousand dollars (\$5,000) to Hospice of Cleveland County, Inc., for operating expenses in providing compassionate care for the terminally ill and their families.

Five thousand dollars (\$5,000) to the Jacob S. Mauney Memorial Library of Kings Mountain in Cleveland County for operating expenses in meeting the needs of an expanding reading public.

Five thousand dollars (\$5,000) to Hospice of Rutherford County, Inc., for operating expenses in providing compassionate care to the terminally ill and their families.

Five thousand dollars (\$5,000) to Prevention of Abuse in the Home, Inc., (P.A.T.H.) of Rutherford County, for operating expenses in providing counseling and other services to prevent abuse in the home.

S1735 LEE MUSEUM FUNDS

Five thousand dollars (\$5,000) to The General William C. Lee Memorial Commission, Inc., in Harnett County for operating expenses of the General William C. Lee Memorial Museum.

S1736 WAKE-LEE-HARNETT HUMAN SERVICES FUNDS

Two thousand dollars (\$2,000) to Shepherd's Table Soup Kitchen, Inc., in Wake County for operating expenses to continue to feed the homeless in the County.

Five thousand dollars (\$5,000) to the Hospice of Lee County for operating expenses of its service to those with terminal illnesses.

Four thousand dollars (\$4,000) to the Women's Center of Raleigh for its counseling and outreach programs.

One thousand dollars (\$1,000) to the Town of Lillington for senior and youth activities.

S1737 WAKE YOUTH HUMAN SERVICES FUNDS

Ten thousand dollars (\$10,000) to Rehabilitation Services of Wake County, Incorporated, for capital improvements for its facility, which provides services to youths in crises.

Five thousand dollars (\$5,000) to Haven House, Inc., in Wake County for its programs for emotionally disturbed youth in Wake County.

Two thousand dollars (\$2,000) to the Christian Life Home in Wake County for start-up and operational funds for its residential services for young women in need.

S1738 WAKE CULTURAL RESOURCES FUNDS

Five thousand dollars (\$5,000) to the Dorothea Dix Volunteer Service Guild, Inc., in Wake County for repairs to the historic Theophilus Hunter House.

Three thousand dollars (\$3,000) to the Friends of Page-Walker Hotel, Inc., in Wake County for preservation and restoration of the historic Page-Walker Hotel.

Seven thousand five hundred dollars (\$7,500) to the Capital Area Arts Foundation, Inc., in Wake County to continue arts programs in Wake County.

Ten thousand dollars (\$10,000) to the City of Raleigh in Wake County for the International Festival.

S1739 14TH DISTRICT CULTURAL PROJECTS FUNDS

Five thousand dollars (\$5,000) to The General William C. Lee Memorial Commission, Inc., for operating expenses and capital expenditures.

Five thousand dollars (\$5,000) to the City of Sanford in Lee County for repairs to the Old City Hall building.

One thousand dollars (\$1,000) to the City of Raleigh in Wake County for the International Festival held in Raleigh.

Two thousand dollars (\$2,000) to the Friends of the Page-Walker Hotel, Inc., in Wake County for capital improvements to the historic Page-Walker Hotel.

Five thousand dollars (\$5,000) to the Capital Area Arts Foundation, Inc., in Wake County for operating expenses in providing arts programs in Wake County.

Two thousand dollars (\$2,000) to the Town of Garner for the renovation of the historic depot.

S1740 14TH DISTRICT HUMAN SERVICES PROGRAMS FUNDS

Four thousand dollars (\$4,000) to Lee County Industries, Inc., to provide services to the handicapped.

One thousand dollars (\$1,000) to Hospice of Lee County, Inc., for expansion of services to the terminally ill and their families.

Two thousand dollars (\$2,000) to the Department of Administration for the Family Violence and Rape Crisis Association of Lee County for operating expenses.

One thousand dollars (\$1,000) to Christian Life Home in Wake County for operating expenses in providing residential services for young women in crisis.

Two thousand dollars (\$2,000) to Radio Reading Services, Inc., in Wake County for the development and expansion of services for the visually handicapped.

Five hundred dollars (\$500.00) to Mediation Services of Wake, Inc., which offers an alternative to litigation, for a special mediation services project.

Two thousand dollars (\$2,000) to Dorothea Dix Volunteer Service Guild, Inc., in Wake County for repairs to the historic Theophilus Hunter House.

Two thousand dollars (\$2,000) to Rehabilitation Services of Wake County, Incorporated, for capital improvements to the vocational rehabilitation facility.

Two thousand dollars (\$2,000) to Shepherd's Table Soup Kitchen, Inc., in Wake County for operating expenses in providing meals for the homeless and the needy.

One thousand dollars (\$1,000) to Haven House, Inc., a group home in Wake County for emotionally disturbed children, for operating expenses.

Two thousand dollars (\$2,000) to The Garner Senior Citizen Center, Inc., in Wake County for operating expenses.

One thousand dollars (\$1,000) to Wake County Association for Retarded Citizens, Inc., for operating expenses in providing services for retarded citizens in Wake County.

One thousand dollars (\$1,000) to the Cued Speech Center, Inc., in Wake County for operating expenses in providing services for hearing impaired people and their families.

One thousand dollars (\$1,000) to Learning Together, Inc., for operating expenses for its provisional services, such as physical therapy, occupational therapy, and family support.

One thousand dollars (\$1,000) to Life Experiences, Inc., in Wake County for operating expenses in providing its public service programs and activities for mentally disabled adults.

Two thousand dollars (\$2,000) to Angier Senior Citizens, Inc., in Harnett County for operating expenses.

S1741 14TH DISTRICT COMMUNITY SERVICES FUNDS

Two thousand five hundred dollars (\$2,500) to the Town of Fuquay-Varina in Wake County for lights for the athletic field.

Three thousand dollars (\$3,000) to The Women's Center of Raleigh in Wake County for operating expenses in providing counseling and career guidance.

Three thousand dollars (\$3,000) to Capital Area Soccer League, Inc., for operating expenses in providing organized recreation for the youth of the area.

Three thousand dollars (\$3,000) to Lee County BMX Parent's Association, Inc., an organization that fosters child development through competitive sports activities, for capital improvements.

Seven thousand dollars (\$7,000) to Lee County Veterans Memorial Fund, Inc., for operating expenses and to continue its project.

One thousand dollars (\$1,000) to the Town of Erwin for operating expenses for a recreation center.

One thousand dollars (\$1,000) to the Girls Club of Wake County for operational funds for its public service programs.

One thousand dollars (\$1,000) to Lee County for capital improvements to the Carbrinton Community Center.

One thousand dollars (\$1,000) to the Town of Lillington for senior and youth activities.

One thousand dollars (\$1,000) to Harnett County Uplift Operations, Inc., for capital or operating expenses for its public service programs to assist minority business development.

One thousand dollars (\$1,000) to the Apex Volunteer Fire Department, Rural Service, Inc., in Wake County for operating expenses or capital expenditures.

S1742 PEMBROKE LIBRARY FUNDS

Fifty thousand dollars (\$50,000) to the Town of Pembroke in Robeson County for capital costs for the library.

S1746 WESTERN N.C. EDUCATION PROJECTS FUNDS

Three thousand dollars (\$3,000) to Haywood County Literacy Council for operating expenses for tutorial programs and adult literacy programs.

Seven thousand dollars (\$7,000) to the Robertson Memorial Young Men's Christian Association of Canton, North Carolina, for operating expenses in running its education programs and tutorial projects for the community.

Seven thousand dollars (\$7,000) to the Foothills Equestrian Nature Center, Inc., of Polk County for repairs and renovation to the Nature Center, which is used as an educational nature study center.

Two thousand five hundred dollars (\$2,500) to the Graham County Library for the purchase of a card catalogue.

Six thousand seven hundred fifty dollars (\$6,750) to the Graham County Board of Education for necessary materials or equipment.

S1747 WESTERN N.C. CULTURAL PROJECTS FUNDS

Thirty-seven thousand dollars (\$37,000) to North Carolina International Folk Festival, Inc., (Folk moot USA) for operating expenses in running its folk festival, which draws people from all over the world to western North Carolina.

Five thousand dollars (\$5,000) to Western North Carolina Public Radio, Inc., for operating expenses in providing public radio cultural and educational programs to western North Carolina.

S1752 ONSLOW HUMAN SERVICES FUNDS

Thirteen thousand dollars (\$13,000) to Onslow County for the Onslow County Juvenile Restitution Program, a program sponsored by Onslow County Youth Services that provides an opportunity for juvenile offenders to offer restitution to victims, to purchase a van to transport youths from the Youth Services building to work sites within Onslow County.

Five thousand dollars (\$5,000) to Onslow County for the Onslow County Department of Social Services for its Onslow Peers Program, a family-centered volunteer and community-supported project aimed at preventing and alleviating family stress and domestic violence by offering enrichment, understanding, and education for family members.

Five thousand dollars (\$5,000) to the Onslow County Women's Center, Inc., for operating expenses of its center, which provides shelter and counseling to victims of domestic violence and sexual assault.

S1753 PAMLICO-CRAVEN FUNDS

Twenty thousand dollars (\$20,000) to Pamlico County to improve the quality of life, to increase the safety of its citizens, and for the economic development of the County.

Forty thousand dollars (\$40,000) to Craven County to improve the quality of life, to increase the safety of its citizens, and for the economic development of the County.

S1754 CUMBERLAND FIRE FIGHTING FUNDS

Five thousand dollars (\$5,000) to Cumberland County for assistance to Cumberland County volunteer fire departments. These funds will be distributed by the Cumberland County Fire Marshall to those

Cumberland County volunteer fire departments the Fire Marshall considers most in need of assistance and in the amounts the Fire Marshall considers appropriate.

S1756 CHARLOTTE HUMAN SERVICES FUNDS

Five thousand dollars (\$5,000) to the Gethsemane Enrichment Program, Inc., of Charlotte for operating expenses in running its human services programs, which include hot meals for senior citizens, day care, after school care, and year round tutorial programs for youth.

Five thousand dollars (\$5,000) to the Bethlehem Center of Charlotte, Inc., for its service programs to all members of the community, which include headstart programs, summer camp programs, and tutorial services.

Five thousand dollars (\$5,000) to the Anita Stroud Foundation, Inc., of Charlotte for operating expenses in running its programs for youth, which include after school tutorials, summer enrichment, and camping experience.

Five thousand dollars (\$5,000) to the Charlotte Mecklenburg Urban League for operating expenses in running its job training programs for disadvantaged persons.

Five thousand dollars (\$5,000) to The Relatives, Inc., of Charlotte for operating expenses for its residential home for homeless youth.

Five thousand dollars (\$5,000) to The Planned Parenthood of Greater Charlotte, Inc., for operating expenses in its program to educate teens to prevent pregnancy.

Five thousand dollars (\$5,000) to the Young Men's Christian Association of Charlotte and Mecklenburg, McCrorey Branch, for operating expenses in running its human services and educational programs, which include recreation, health education, and community education projects.

Five thousand dollars (\$5,000) to the Association for Sickle Cell Disease for Charlotte-Metrolina, Inc., for operating expenses for its program of research into the disease, testing, outreach, and follow-up.

Twenty-five thousand dollars (\$25,000) to the Charlotte Mecklenburg Youth Council for operating expenses of the Council.

S1760 CUMBERLAND CULTURAL FUNDS

Fifty thousand dollars (\$50,000) to the Howard Improvement Association, Inc., for renovation, improvement, and landscaping of the historic Howard Trust property in Cumberland County, which has been used for cultural, educational, and literary purposes since 1867.

Forty thousand dollars (\$40,000) to the City of Fayetteville to renovate the Market House.

S1762 RED SPRINGS RESCUE SQUAD, INC., FUNDS

Five thousand dollars (\$5,000) to the Red Springs Rescue Squad, Inc., to be used for maintenance of and repairs to its building.

S1763 GASTON MUNICIPAL SERVICE PROJECTS

Five thousand dollars (\$5,000) to the City of Lowell in Gaston County for operating expenses for the Town's recreation projects.

Five thousand dollars (\$5,000) to the Town of Cramerton in Gaston County for operating expenses of the Town's Community Center.

Five thousand dollars (\$5,000) to the Town of Gastonia in Gaston County for operating expenses of the community Ervin Center.

S1764 GASTON CULTURAL RESOURCES FUNDS

Five thousand dollars (\$5,000) to The United Arts and Science Council of Gaston County for operating expenses in running its arts programs for the citizens of Gaston County.

Five thousand dollars (\$5,000) to The Little Theater of Gastonia, Inc., for renovation of its facility, to enable it to continue to provide quality community theater.

S1765 GASTON HUMAN SERVICES FUNDS

Five thousand dollars (\$5,000) to Hospice of Gaston County, Inc., for operating expenses in running its program, which provides compassionate care to the terminally ill and their families.

Five thousand dollars (\$5,000) to Gaston Skills, Incorporated, for expansion of the production area of its sheltered workshop for the handicapped.

Five thousand dollars (\$5,000) to Gaston Community Action, Inc., Senior Citizen Action for operating expenses in running its community programs for senior citizens.

S1766 GASTON MUSEUM PROJECT FUNDS

Fifteen thousand dollars (\$15,000) to the Schiele Museum of Natural History and Planetarium, Inc., of Gaston County for operating expenses in maintaining its science exhibits and educational outreach programs.

Fifteen thousand dollars (\$15,000) to the Gaston County Museum of Art and History for operating expenses in maintaining its cultural and historical exhibits and educational outreach programs.

S1767 ODYSSEY OF THE MIND FUNDS

Five thousand dollars (\$5,000) to the Gaston County Board of Education for operating expenses for the "Odyssey of the Mind" Program.

S1768 GREENSBORO-HIGH POINT HUMAN SERVICES FUNDS

Five thousand dollars (\$5,000) to Family and Children's Service of Greater Greensboro, Inc., for operating expenses of the Clara House, a shelter for battered and abused women and children.

Ten thousand dollars (\$10,000) to Family Services, Inc., of High Point for operating expenses in providing its services to families in crisis.

Four thousand five hundred dollars (\$4,500) to the Greater Piedmont Challenge, Teen Challenge Inc., serving all the counties of the Piedmont, for operating expenses of its residential center which serves young men in crisis.

S1769 CASWELL AGING SERVICES FUNDS

Nine thousand dollars (\$9,000) to Caswell County for the position of Program Developer and Coordinator of Aging Services for Caswell County.

S1770 ALAMANCE-CASWELL EMERGENCY SERVICES FUNDS

Four thousand five hundred dollars (\$4,500) to Alamance County to be used by the Alamance County Fire Marshall's Office to purchase and provide training materials, supplies, and equipment for Alamance County fire departments.

Seventeen thousand dollars (\$17,000) to Caswell County for the purchase and construction of a communications tower and system for use in law enforcement, fire protection, and emergency services.

S1771 WAYNE-GREENE EDUCATIONAL FUNDS

Ten thousand dollars (\$10,000) to the Department of Community Colleges for Wayne Community College for teacher awards. These funds shall be held in trust. Annually, seventy-five percent (75%) of the interest shall be paid out as an award not to exceed two thousand five hundred dollars (\$2,500) to an outstanding teacher, fifteen percent (15%) shall be returned to the trust, and ten percent (10%) may be used for administrative expenses incurred in the award process. If, in any year, the seventy-five percent (75%) of interest exceeds two thousand five hundred dollars (\$2,500), more than one award may be given.

Two thousand five hundred dollars (\$2,500) to the Wayne County

Board of Education for teacher awards. These funds shall be held in trust with the funds appropriated to the Wayne County Board of Education by paragraph S1162 of Section 6 of Chapter 830 of the 1987 Session Laws. Annually, seventy-five percent (75%) of the interest shall be paid out as an award not to exceed two thousand five hundred dollars (\$2,500) to an outstanding teacher, fifteen percent (15%) shall be returned to the trust, and ten percent (10%) may be used for administrative expenses incurred in the award process. If, in any year, the seventy-five percent (75%) of interest exceeds two thousand five hundred dollars (\$2,500), more than one award may be given.

Two thousand five hundred dollars (\$2,500) to the Goldsboro City Board of Education for teacher awards. These funds shall be held in trust with the funds appropriated to the Goldsboro City Board of Education by paragraph S1163 of Section 6 of Chapter 830 of the 1987 Session Laws. Annually, seventy-five percent (75%) of the interest shall be paid out as an award not to exceed two thousand five hundred dollars (\$2,500) to an outstanding teacher, fifteen percent (15%) shall be returned to the trust, and ten percent (10%) may be used for administrative expenses incurred in the award process. If, in any year, the seventy-five percent (75%) of interest exceeds two thousand five hundred dollars (\$2,500), more than one award may be given.

Two thousand five hundred dollars (\$2,500) to the Greene County Board of Education for teacher awards. These funds shall be held in trust with the funds appropriated in S1164 of Section 6 of Chapter 830 of the 1987 Session Laws. Annually, seventy-five percent (75%) of the interest shall be paid out as an award not to exceed two thousand five hundred dollars (\$2,500) to an outstanding teacher, fifteen percent (15%) shall be returned to the trust, and ten percent (10%) may be used for administrative expenses incurred in the award process. If, in any year, the seventy-five percent (75%) of interest exceeds two thousand five hundred dollars (\$2,500), more than one award may be given.

Three thousand dollars (\$3,000) to the Wayne County Livestock Development Association, Incorporated, for a scholarship development fund, to provide scholarship assistance to students pursuing careers in agriculture or natural resource development in public and private North Carolina institutions of higher education.

Two thousand five hundred dollars (\$2,500) to Wayne County Historical Association for the Wayne County Museum for operating expenses in maintaining its cultural and historical exhibits and educational outreach programs.

One thousand dollars (\$1,000) to the Community Arts Council,

Inc., of Goldsboro, N. C. for operating expenses in providing cultural services and educational outreach programs.

S1780 EAST ARCADIA REVITALIZATION FUNDS

Twenty-five thousand dollars (\$25,000) to the Town of East Arcadia for renovation of a building for a cultural arts and community center and for other revitalization projects.

S1781 18TH DISTRICT CULTURAL PROJECTS FUNDS

Two thousand dollars (\$2,000) to the Town of Chadbourn for the Strawberry Festival.

Two thousand dollars (\$2,000) to the Town of Fair Bluff for the Watermelon Festival.

Three thousand five hundred dollars (\$3,500) to the Fair Bluff Community Library Association, Inc., for repairs to the Fair Bluff Community Library building.

Two thousand dollars (\$2,000) to the Greater Tabor City Chamber of Commerce for the Yam Festival.

Eight thousand dollars (\$8,000) to the Greater Tabor City Chamber of Commerce for capital improvements on the Ritz Theater.

One thousand dollars (\$1,000) to the Greater Holden Beach Merchants Association for the Festival by the Sea.

Two thousand dollars (\$2,000) to the South Brunswick Islands Chamber of Commerce for the Oyster Festival.

One thousand dollars (\$1,000) to the Town of Southport for the Fourth of July Festival.

One thousand dollars (\$1,000) to the Town of Dublin for the civic center project.

S1782 18TH DISTRICT COMMUNITY SERVICE FUNDS

Three thousand dollars (\$3,000) to the Club 15-Civic League, Inc., for a community center in Tabor City.

Three thousand dollars (\$3,000) to the Ransom Activity Center, Inc., for operations of the Ransom Activity Center.

Twenty-five thousand dollars (\$25,000) to the Tabor City Committee of 100, Inc., for continuing downtown revitalization including the Dr. Ross Williamson Building, Recreation Park, Burns and Elizabeth Streets Drainage Projects, and Lake Tabor weed control.

Two thousand dollars (\$2,000) to the Board of Governors of The University of North Carolina for the Agricultural Extension Service, North Carolina State University, for a van for the Brunswick County 4-H.

S1784 SAMPSON EDUCATION FUNDS

Two thousand dollars (\$2,000) to the Sampson County Board of Education for improvements to the athletic fields at Union High School.

Ten thousand dollars (\$10,000) to the Sampson County Board of Education for the arts programs in the Sampson County Public Schools.

Five thousand dollars (\$5,000) to the Clinton Area Foundation for Education, Inc., to fund various school projects.

S1785 JOHNSTON-SAMPSON CULTURAL FUNDS

Two thousand dollars (\$2,000) to the Sampson Community Theatre, Inc., for operating or capital expenses for the Theatre, which provides a cultural and social center in Sampson County.

Ten thousand dollars (\$10,000) to The Historic Preservation Foundation of North Carolina, Inc., for the expenses of moving and renovating the Lee House, an historic landmark in Johnston County.

S1787 VANCE COMMUNITY FUNDS

Five thousand dollars (\$5,000) to the Henderson Institute Graduates and Former Students Association, Inc., in Vance County for the building fund of the Henderson Institute Museum, an important resource to serve the entire community.

Five thousand dollars (\$5,000) to the City of Henderson in Vance County for the building fund of the Henderson Farmers Market to benefit the entire community and surrounding areas.

S1788 ORANGE FIRE-MOORE RESCUE FUNDS

Five thousand dollars (\$5,000) to Orange County for the Orange County Firefighters Association to purchase computers and other equipment.

Two thousand dollars (\$2,000) to Seven Lakes Rescue Squad, Inc., in Moore County to assist in constructing new facilities.

S1789 10TH DISTRICT CULTURAL FUNDS

Ten thousand dollars (\$10,000) to The Country Doctor Museum Foundation in Nash County to provide funding for the operation of the museum, which is an important cultural resource for the citizens of Nash County.

Seven thousand five hundred dollars (\$7,500) to The Tar River Choral and Orchestral Society, Inc., in Nash County to provide funding for the local symphony to continue to provide its music to the public.

Two thousand five hundred dollars (\$2,500) to The Thomas Hackney Braswell Memorial Library in Nash County to film copies of

"The Rocky Mount Evening Telegram."

Four thousand dollars (\$4,000) to The Rocky Mount Arts Center, Inc., in Nash County to assist in operation of the arts center to promote the arts in Nash County.

S1792 17TH DISTRICT HUMAN SERVICES FUNDS

Twelve thousand dollars (\$12,000) to Scotland County for a youth jobs program.

One thousand one hundred fifty dollars (\$1,150) to the Scotland County Board of Education for S.A.T. workshops.

Ten thousand dollars (\$10,000) to Hospice of Union County, Inc., for program development in providing care to terminally ill patients and their families.

Ten thousand dollars (\$10,000) to Turning Point, Inc., to assist in purchasing a residence in Monroe to be used as a shelter for battered women and their children in that community.

Three thousand dollars (\$3,000) to Richmond County Parents of Disabled Children, Inc., for program development.

S1793 24TH DISTRICT CULTURAL FUNDS

Two thousand five hundred dollars (\$2,500) to The Foothills Arts Council Inc., of Surry County for capital expenditures.

Sixteen thousand dollars (\$16,000) to Ashe County Arts Council, Inc., for construction costs.

Five thousand dollars (\$5,000) to The Surry County Historical Society, Inc., to conduct a dig at the Hardy Archaeological Dig Site.

Five thousand dollars (\$5,000) to the Stokes County Arts Council, Inc., for construction and renovation costs.

S1794 WESTERN N.C. HUMAN SERVICES FUNDS

Seven thousand dollars (\$7,000) to the Robertson Memorial Young Men's Christian Association of Canton, North Carolina, for renovations to its building that is used for community programs and projects.

S1796 16TH DISTRICT COMMUNITY FUNDS

Six thousand dollars (\$6,000) to the Town of Robbins for a public park.

Two thousand dollars (\$2,000) to Friends of Weymouth, Inc., in Moore County to help support the Weymouth Center for the Arts & Humanities in promoting the arts.

Eight thousand dollars (\$8,000) to Chatham County to assist with the costs of patrolling Jordan Lake and providing other services incidental to the operation of the State Park Facility.

Five hundred dollars (\$500.00) to the Town of Siler City and five hundred dollars (\$500.00) to the Town of Pittsboro for improvements to their water systems.

S1798 SCOTLAND-RICHMOND HUMAN SERVICES FUNDS

Ten thousand dollars (\$10,000) to Child Care Directions, Inc., of Scotland County for development of its public service programs.

Seven thousand dollars (\$7,000) to Richmond County Hospice, Inc., for the costs of providing services to the terminally ill and their families.

Three thousand dollars (\$3,000) to Richmond County Parents of Disabled Children, Inc., for the costs of providing its public service programs.

S1799 ANSON-RICHMOND COMMUNITY FUNDS

Ten thousand dollars (\$10,000) to The J.R. Faison Community Center, Inc., in Anson County for building renovations.

Five thousand dollars (\$5,000) to East Hamlet Community Concerned Citizens, Inc., in Richmond County for the cost of operating and purchasing equipment for community organizations.

Ten thousand dollars (\$10,000) to the City of Hamlet for the Hamlet Library Fund for a new building.

Five thousand dollars (\$5,000) to Richmond County for the Beaver Dam Community Center, Inc., to provide community services to the public.

Five thousand dollars (\$5,000) to Richmond County for capital expenditures and operating costs of the Ashley Chapel Community Center.

S1800 RICHMOND CULTURAL PROJECTS FUNDS

Five thousand dollars (\$5,000) to Richmond Community Theater for the cost of building renovations.

Three thousand dollars (\$3,000) to Richmond County for the Richmond County Arts Council for program development.

Five thousand dollars (\$5,000) to the Rankin Museum, Inc., for capital improvements to the Rankin Museum of American Heritage in the Town of Ellerbe in Richmond County.

Ten thousand dollars (\$10,000) to the Indian Museum of the Carolinas, Inc., in Scotland County, for operating expenses.

S1801 GUILFORD ARTS FUNDS

Four thousand dollars (\$4,000) to the High Point Arts Council, Inc., of Guilford County to support the Third Annual Afro-American Artists' Competition and Exhibition.

S1802 GUILFORD EDUCATION FUNDS

Six thousand dollars (\$6,000) to the Black Child Development Institute of Greensboro, Inc., for operating expenses and equipment for services to black children, which services benefit the entire community.

Six thousand dollars (\$6,000) to the Black Child Development Institute of Greensboro, Inc., - High Point Affiliate, of Guilford County for the planning and implementation of the youth leadership development project.

Eleven thousand dollars (\$11,000) to the Charlotte Hawkins Brown Historical Foundation of Guilford County for planning conferences on educational equity.

Ten thousand dollars (\$10,000) to Research Education & Literacy Association (RELA) for operating expenses for programs that provide educational enrichment for children and youth.

Fourteen thousand dollars (\$14,000) to Southeast Greensboro Council on Crime and Delinquency of Guilford County for operating expenses for programs that provide educational enrichment for children and youth.

S1803 GUILFORD MEDIATION FUNDS

Ten thousand dollars (\$10,000) to One Step Further, Inc., for operating expenses in providing dispute mediation services.

S1804 GUILFORD RESTORATION-RENOVATION FUNDS

Four thousand dollars (\$4,000) to The William Penn Foundation, Inc., of Guilford County for renovation and restoration projects.

Four thousand dollars (\$4,000) to the Whitsett Community Development Club of Guilford County for renovation and maintenance of the Club's Community Center.

S1806 10TH DISTRICT HUMAN SERVICES FUNDS

Five thousand dollars (\$5,000) to the Juvenile Court Counselor's Fund of the Sixth Judicial District, Inc., in Halifax County, for its Juvenile Restitution and Juvenile Reparation Programs.

Ten thousand dollars (\$10,000) to the Young Women's Christian Association of Rocky Mount, North Carolina, in Nash County for expansion of programs and services to the public.

Five thousand dollars (\$5,000) to SMILES of Roanoke Rapids, Inc., in Halifax County to assist in developing programs for mentally retarded children in the County.

Five thousand dollars (\$5,000) to the Hollister Rescue Squad, Inc., in Halifax County for repair and maintenance of its rescue vehicles to continue to provide its present level of service to the citizens in the County.

Four thousand five hundred dollars (\$4,500) to the Town of Littleton in Halifax County to assist in funding programs for senior citizens in the County.

Two thousand five hundred dollars (\$2,500) to Halifax County for the 4-H Youth Conference to meet requirements of new code regulations and complete its new building for the youth of Halifax County.

Four thousand dollars (\$4,000) to Community Ministries, Inc., in Nash County to aid in funding a daily lunch meal for the indigent and homeless in the Rocky Mount area.

Seven thousand five hundred dollars (\$7,500) to My Sister's House, Inc., in Nash County to assist in operating programs for abused families.

S1809 CHATHAM DRUG FUND

Ten thousand dollars (\$10,000) to Chatham County to be used by the Chatham Drug Task Force for a program to fight illegal drug use in Chatham County.

S1810 24TH DISTRICT PUBLIC SAFETY FUNDS

Five thousand dollars (\$5,000) to Rockingham County to purchase a replacement car radio for the Rockingham County Fire Marshall and to repair the radio tower in Rockingham County.

Three thousand (\$3,000) to Rockingham County for the Rockingham County Sheriff's Department for the purchase of bulletproof vests.

Five thousand dollars (\$5,000) to the Town of Reidsville for the Reidsville Police Department for the purchase of new handguns for the Police Department.

Five thousand dollars (\$5,000) to The King Volunteer Fire District, Incorporated, for the purchase of equipment.

S1811 24TH DISTRICT MUNICIPAL FUNDS

Ten thousand dollars (\$10,000) to the Town of Stoneville to replace certain water lines in the Town of Stoneville.

Ten thousand dollars (\$10,000) to the City of Eden for the City of Eden Recreation Department for capital improvements.

Ten thousand dollars (\$10,000) to the Town of Madison to renovate the Madison Town Hall.

One thousand five hundred dollars (\$1,500) to the City of Reidsville for capital improvements to the Branch Street mini-park.

Ten thousand dollars (\$10,000) to the Town of Mayodan to extend the water and sewer system in the Town of Mayodan.

Two thousand five hundred dollars (\$2,500) to the Pilot Mountain

Foundation, Inc., in Surry County for the purchase of recreation equipment.

One thousand dollars (\$1,000) to the Town of Dobson for capital improvements of the Dobson Community Building.

Five thousand dollars (\$5,000) to the Town of Elkin for capital expenditures for its recreation program.

S1813 24TH DISTRICT HUMAN SERVICES FUNDS

Three thousand five hundred dollars (\$3,500) to the City of Reidsville to install air conditioning in the Reidsville Senior Citizens Center.

Two thousand dollars (\$2,000) to Rockingham County for the Rockingham County Health Department to provide health care to indigent persons.

Five thousand dollars (\$5,000) to Hospice of Surry County, Inc., for operating expenses in providing care for terminally ill patients and their families.

Two thousand five hundred dollars (\$2,500) to the Northwestern Regional Library for the Surry County Literacy Council for the purchase of books and supplies.

Five thousand dollars (\$5,000) to the Surry County Friends of Youth, Inc., to provide counseling services for families and children.

Two thousand five hundred dollars (\$2,500) to Stokes County for the Stokes County Friends of Youth to provide counseling services for families and children.

Three thousand dollars (\$3,000) to the King Outreach Ministry, Inc., of Stokes County, which provides crisis intervention services to the public, for operating expenses to continue to meet client needs and for capital expenditures associated with obtaining a larger facility.

S1814 16TH DISTRICT HUMAN RESOURCES FUNDS

Two thousand dollars (\$2,000) to Family Violence and Rape Crisis Volunteers in Chatham County, Inc., to assist with the cost of crisis intervention and criminal justice assistance.

Three thousand dollars (\$3,000) to Chatham County Council on Aging, Inc., for transportation and its in-home services program.

Twelve thousand dollars (\$12,000) to Orange County for the Parks and Recreation Department to provide an activities facilitator for a pilot program to provide outreach activities for people in family-care homes and rest homes.

Five thousand dollars (\$5,000) to Orange-Chatham Comprehensive Health Services, Incorporated, for its community service projects.

Two thousand five hundred dollars (\$2,500) to Orange

Congregations in Mission, Inc., to provide child care for adolescents.

Three thousand dollars (\$3,000) to Sandhills Community Action Program, Inc., for renovations to its facilities that house its community service programs.

Ten thousand dollars (\$10,000) to The Joint Orange-Chatham Community Action, Inc., for its senior citizen operations and support services.

Two thousand dollars (\$2,000) to Randolph County for "Contact", a 24-hour helpline available to those in emotional crisis.

Two thousand five hundred dollars (\$2,500) to the Inter-Church Council for Social Services, Inc., for its community service programs.

Two thousand dollars (\$2,000) to Sandhills Hospice, Inc., of Moore County to help with the services it provides to the terminally ill.

Two thousand dollars (\$2,000) to Hospice of North Carolina, Inc., for the Randolph County Chapter, to help with the services it renders the terminally ill.

Two thousand dollars (\$2,000) to Hospice of Chatham County, Inc., to help with the services it renders the terminally ill.

Six thousand dollars (\$6,000) to the Association for Retarded Citizens of Orange County, Inc., for continuation of its community access program.

One thousand dollars (\$1,000) to Orange-Person-Chatham Mental Health, Mental Retardation, and Substance Abuse Authority, for Kid's Cope to assist with services for emotionally disturbed preschoolers who are experiencing behavioral, emotional, and social problems.

Two thousand dollars (\$2,000) to the Board of Governors of The University of North Carolina to continue its therapy program of gardening, which is available as mental health therapy.

Five thousand dollars (\$5,000) to East Side Improvement Association, Inc., to operate a day care facility for young children of low- to moderate-income residents.

Three thousand dollars (\$3,000) to Randolph National Health Services Corps Practice, Incorporated, to assist with operating expenses of its community service programs.

S1815 WESTERN N.C. PUBLIC SERVICES FUNDS

Seven thousand dollars (\$7,000) to the Department of Natural Resources and Community Development, Division of Parks and Recreation, for the Buncombe County Nature Areas Survey to complete the county-wide survey of important natural areas and rare species habitats.

One thousand dollars (\$1,000) to the Asheville Symphony Society, Inc., in Buncombe County, to promote education in the schools

through the Asheville Symphony's Outreach Program.

Two thousand dollars (\$2,000) to the Opportunity Corporation of Madison and Buncombe Counties to reduce the agency's general fund deficit and to supplement its crisis program fund.

Three thousand dollars (\$3,000) to the Big Ivy Historical Society in Buncombe County, to assist in additions to the Big Ivy Historical Village.

Two thousand dollars (\$2,000) to the Western North Carolina Creative Arts Hall of Fame in Buncombe County for additions to exhibition areas.

Two thousand dollars (\$2,000) to the Nature Society, Inc., Buncombe County, for the Western North Carolina Nature Center's educational programs designed to supplement and enhance the standard North Carolina elementary school science curriculum.

Four thousand dollars (\$4,000) to Meals on Wheels of Asheville and Buncombe County, Inc., to maintain its current level of service.

One thousand dollars (\$1,000) to the Town of Black Mountain in Buncombe County, for financial assistance for the Sourwood Festival.

One thousand dollars (\$1,000) to the City of Asheville in Buncombe County, to sponsor the annual Bele Chere Street Festival in the City of Asheville.

One thousand dollars (\$1,000) to the Rape Crisis Center, Inc., in Buncombe County, to continue the present level of crisis intervention and community education and awareness program for Buncombe and Madison Counties.

Five thousand dollars (\$5,000) to the YMI Cultural Center, Inc., Buncombe County, to preserve and restore the Center, which is listed on the National Register of Historic Places.

Three thousand dollars (\$3,000) to the Mountain Area Hospice Corporation in Buncombe County, for operating expenses to allow the corporation to continue its service to terminally ill patients.

One thousand dollars (\$1,000) to the Western Carolina Rescue Mission, Inc., in Buncombe County, for operating expenses incurred in operation of its programs that provide vital shelter for the homeless.

Five thousand dollars (\$5,000) to the Western North Carolina Lions Club, Inc., in Buncombe County, for the Marjorie McCune Memorial Center expansion project.

Two thousand dollars (\$2,000) to the Swannanoa Valley Child Care Council, Inc., in Buncombe County, to complete the payments on its mortgage.

Five thousand dollars (\$5,000) to the Asheville-Buncombe Community Christian Ministry, Inc., for operating expenses of its homeless shelter.

Twenty-five thousand dollars (\$25,000) to the Eliada Home for Children in Buncombe County for the care of children at the Eliada Home.

Three thousand dollars (\$3,000) to the Swannanoa Valley Christian Ministry, Inc., in Buncombe County, to provide food and clothing for indigents.

Eight thousand dollars (\$8,000) to Contact: Asheville/Buncombe, Inc., for the purchase of office equipment in order to continue to provide its volunteer crisis intervention, help-line/telephone counseling service 24 hours a day, 365 days a year, without interruption.

Eleven thousand dollars (\$11,000) to the Western North Carolina Public Radio, Inc., in Buncombe County, for public radio station WCQS-FM, to help expand services to other counties and for the purchase of equipment to record events outside its studios for later broadcast.

Twelve thousand five hundred dollars (\$12,500) to the McDowell Arts and Crafts Association in McDowell County to build a community arts facility.

Twelve thousand five hundred dollars (\$12,500) to McDowell County for capital or operating expenses for a recreational center.

S1816 11TH DISTRICT HUMAN SERVICES FUNDS

Two thousand dollars (\$2,000) to Franklin-Vance-Warren Opportunity, Inc., for its head start program, which serves low-income children in the Franklin, Vance, and Warren Counties.

Two thousand dollars (\$2,000) to the Town of Wake Forest in Wake County for the Wake Forest Senior Citizens Center Building Fund to serve the senior citizens in the Wake Forest community.

Two thousand dollars (\$2,000) to the Town of Wendell in Wake County for the Eastern Wake Senior Citizens Building Fund to continue its present level of service to senior citizens.

One thousand dollars (\$1,000) to the Town of Franklinton in Franklin County for the building fund of the Franklinton Senior Citizens Center to continue to provide service to the senior citizens in Franklinton.

Two thousand dollars (\$2,000) to Franklin County for general operation of its Home Health Program, which serves citizens of Franklin County who need care in their homes.

One thousand dollars (\$1,000) to Wake Enterprises, Inc., in Wake County to continue to provide job placement and hiring of disabled citizens.

S1817 11TH DISTRICT PUBLIC SAFETY FUNDS

Fifteen thousand dollars (\$15,000) to the following public safety organizations in Franklin and Wake Counties, to be used for equipment and operating expenses. The funds shall be divided equally among these organizations:

- (1) Mitchiners Rural Fire Department;
- (2) Justice Rural Volunteer Fire Department;
- (3) Hopkins Rural Fire Department, Inc.;
- (4) Bunn Rural Fire Department;
- (5) Franklinton Fire Department;
- (6) Youngsville Volunteer Fire Department, Inc.;
- (7) Bay Leaf Volunteer Fire Department;
- (8) Rolesville Rural Fire Department, Inc.;
- (9) Zebulon Rural Fire Department, Inc.;
- (10) The Knightdale Volunteer Fire Department, Inc.

S1818 CARTERET-BEAUFORT HISTORICAL FUNDS

Five thousand dollars (\$5,000) to the Carteret County Historical Society, Inc., to conduct an architectural survey of Carteret County.

Five thousand dollars (\$5,000) to the Beaufort Historical Association, Inc., for capital improvements to the Old Town Beaufort Restoration Historic Site, Turner Street.

S1819 HAW RIVER PARK FENCE FUNDS

Twenty thousand dollars (\$20,000) to the Town of Haw River to purchase, construct, and erect a fence around the Haw River Recreation Park.

S1820 WESTERN N.C. CULTURAL-EDUCATIONAL FUNDS

One thousand dollars (\$1,000) to The Hendersonville Symphony Orchestra, Inc., in Henderson County to assist with the cost of its performances which enrich the cultural life of the entire community.

Seventy-two thousand dollars (\$72,000) to Brevard Music Center, Inc., for capital costs for a parking lot.

S1821 6TH DISTRICT CULTURAL RESOURCES FUNDS

Two thousand dollars (\$2,000) to the Town of Farmville, in Pitt County for operating expenses of the Farmville Dogwood Festival.

One thousand dollars (\$1,000) to the Farmville Arts Council, Incorporated, in Pitt County for operating expenses for arts programs for the community.

One thousand dollars (\$1,000) to Wilson County for the Wilson County Arts Council for operating expenses in providing arts programs for the community.

Ten thousand dollars (\$10,000) to Wilson County for the Wilson Community Theatre for operating expenses in providing theater to the community.

S1824 PIEDMONT TRIAD COG FUNDS

Five thousand dollars (\$5,000) to the Piedmont Triad Council of Government for economic development of Region G.

S1826 TROY PARK FUNDS

Ten thousand dollars (\$10,000) to the City of Troy for expansion of Troy Park.

S1827 17TH DISTRICT CULTURAL FUNDS

Fifteen thousand dollars (\$15,000) to the Albemarle-Stanly County Historic Preservation Commission to conduct an inventory of property of historical, architectural, and cultural significance within its jurisdiction.

Ten thousand dollars (\$10,000) to the Union County Historical Society, Inc., for equipment necessary for the Heritage Room in the Old Union County Courthouse.

Five thousand dollars (\$5,000) to the Anson County Arts Council, Inc., for its arts programs.

Three thousand dollars (\$3,000) to the Richmond County Board of Education for the fine arts festival at the Rockingham Junior High School.

Thirty thousand dollars (\$30,000) to The Rankin Museum, Inc., for capital improvements to the Rankin Museum of American Heritage in the Town of Ellerbe in Richmond County.

S1828 ALAMANCE MUSEUM FUNDS

Four thousand five hundred dollars (\$4,500) to the Alamance County Historical Museum, Inc., to pave the parking lot at the museum.

S1830 WAYNE-GREENE COMMUNITY SERVICES FUNDS

Five thousand dollars (\$5,000) to Wayne County Veterans Council, Incorporated, for operating and capital expenses in serving Wayne County veterans and their families.

Two thousand dollars (\$2,000) to the Wayne County Boys' Club, Inc., for operating expenses for its youth programs for the young people of the community.

Two thousand dollars (\$2,000) to the Dillard Building, Incorporated, of Wayne County for capital improvements and operating expenses of the Dillard Incubator and Technology Center,

which serves to enhance the economy of the entire community.

Two thousand five hundred dollars (\$2,500) to the Town of Pikeville in Wayne County for town recreation projects and for park facilities.

Fifteen thousand dollars (\$15,000) to the Old Waynesborough Commission, Inc., to be held in trust, with the interest to be used for the Waynesborough Park for operating and capital expenses in providing a public park for the entire community.

Two thousand five hundred dollars (\$2,500) to Greene County for economic development.

Two thousand five hundred dollars (\$2,500) to the Greene County Council on Aging for operating expenses.

S1831 WAYNE-GREENE PUBLIC SAFETY FUNDS

Four thousand dollars (\$4,000) to be divided equally among the following rescue squads in Wayne County for equipment and operating expenses: Fremont Rescue Squad, Inc., Goldsboro Rescue Squad, Inc., Grantham Rescue Squad, Inc., and Seven Springs Area Rescue Squad, Inc.

One thousand dollars (\$1,000) to the Town of Mount Olive for the Mount Olive Rescue Squad for equipment and operating expenses.

Seven thousand dollars (\$7,000) to be divided equally among the following rescue squads in Greene County for equipment and operating expenses: Arba Rescue Squad; Castoria Rescue Squad; Hookerton Rescue Squad; Maury Rescue Squad; Shine Rescue Squad; Snow Hill Rescue Squad; and Walstonburg Rescue Squad.

Two thousand five hundred dollars (\$2,500) to the Wayne County Firemen's Association, Incorporated, for the development of a training center to serve the entire County.

S1832 17TH DISTRICT EDUCATION FUNDS

Fifty thousand dollars (\$50,000) to the Department of Community Colleges for Montgomery Community College for capital improvements. These funds are not subject to any requirement that they be matched with non-State funds.

Twenty-five thousand dollars (\$25,000) to the Department of Community Colleges for Richmond Community College for capital improvements for asbestos removal. These funds are not subject to any requirement that they be matched with non-State funds.

S1835 13TH DISTRICT PUBLIC SERVICES FUNDS

Five thousand dollars (\$5,000) to the South Granville Rescue Squad for operating expenses and equipment.

Nine thousand dollars (\$9,000) to Person County Memorial

Hospital, Incorporated for its fund raising drive, to improve the Hospital's ability to serve the public.

Six thousand dollars (\$6,000) to the Department of Community Colleges for Durham Technical Community College for its Retired Senior Volunteer Program.

Ten thousand dollars (\$10,000) to The Prison & Jail Project, Inc., for the Durham Community Penalties Program.

Twenty-five thousand dollars (\$25,000) to the Durham Arts Council, Inc., for the Durham Downtown Arts Complex.

Twenty thousand dollars (\$20,000) to the Department of Cultural Resources, Division of Archives and History, for capital improvements and operating expenses for the Stagville Preservation Center.

S1836 COMMUNITY SERVICES PROJECTS FUNDS

Ten thousand dollars (\$10,000) to the Johnston Central High School Alumni Association, Inc., to renovate a building to be used as a community center.

One thousand dollars (\$1,000) to the Town of Salemburg in Sampson County for town improvements.

Ten thousand dollars (\$10,000) to the Town of Roseboro in Sampson County for capital expenditures for the library.

Two thousand dollars (\$2,000) to Sampson County for capital expenditures for the Ingold Community Building North.

Three thousand dollars (\$3,000) to Sampson County for capital expenditures for the Clement Civic Center.

Ten thousand dollars (\$10,000) to the Town of Benson for renovation of the municipal building auditorium.

Five thousand dollars (\$5,000) to the Princeton Little Tar Heel League, Incorporated, for capital costs for an athletic field.

S1843 EASTERN PUBLIC SAFETY FUNDS

Two thousand five hundred dollars (\$2,500) to the Town of Burgaw for the Town's Fire Department for capital expenditures, equipment, and operating expenses.

Four thousand seven hundred dollars (\$4,700) to New Hanover County to be allocated as follows among the following rescue squads and fire departments in New Hanover County:

- (1) Three hundred dollars (\$300.00) to Pleasure Island Volunteer Rescue Squad, Inc.;
- (2) Four hundred dollars (\$400.00) to Castle Hayne Volunteer Fire Department, Inc.;
- (3) Four hundred dollars (\$400.00) to Federal Point Volunteer Fire Department, Inc.;

- (4) Four hundred dollars (\$400.00) to Myrtle Grove Fire Department, Inc.;
- (5) Four hundred dollars (\$400.00) to Ogden Volunteer Fire Department, Incorporated;
- (6) Four hundred dollars (\$400.00) to Seagate Volunteer Fire Department;
- (7) Four hundred dollars (\$400.00) to South Wilmington Volunteer Fire Department, Inc.;
- (8) Four hundred dollars (\$400.00) to Winter Park Volunteer Fire Department, Inc.;
- (9) Four hundred dollars (\$400.00) to Wrightsboro Volunteer Fire Department, Inc.;
- (10) Four hundred dollars (\$400.00) to Carolina Beach Fire Department;
- (11) Four hundred dollars (\$400.00) to Kure Beach Fire Department; and
- (12) Four hundred dollars (\$400.00) to Wrightsville Beach Fire Department.

These funds shall be used for operating expenses and to purchase equipment.

Six thousand eight hundred dollars (\$6,800) to Pender County to be divided equally among the following fire departments and rescue squads in Pender County:

- (1) Atkinson City Fire Department
- (2) Burgaw Fire Department
- (3) Hampstead Volunteer Fire Department
- (4) Long Creek Fire Department
- (5) Maple Hill Fire Department
- (6) Penderlea Fire Department
- (7) Rocky Point Fire Department
- (8) Shiloh Fire Department
- (9) Sloop Point Fire Department
- (10) Surf City Volunteer Fire Department, Inc.
- (11) Scotts Hill Fire Department
- (12) Topsail Beach Fire Department
- (13) Pender County Rescue Squad, Inc.
- (14) Pender East Volunteer Rescue Squad, Inc.
- (15) Surf City Volunteer Rescue Squad, Inc.
- (16) Topsail Beach Volunteer Rescue Squad, Inc.
- (17) Union Rescue Squad, Inc.

These funds shall be used to purchase equipment and operating expenses.

One thousand five hundred dollars (\$1,500) to Pender County for the Sheriff's Department Building.

Seven hundred dollars (\$700.00) to the Department of Crime Control and Public Safety for the N. C. Militia for operating expenses and equipment.

One thousand dollars (\$1,000) to the Senior Citizen Services of Pender, Inc., for maintenance of its van, which is used to assist senior citizens in the area with their transportation needs.

S1844 EASTERN COMMUNITY FUNDS

One thousand five hundred dollars (\$1,500) to Cued Speech Center, Inc., for the North Carolina Cued Speech Association in New Hanover County to help support its community programs which include workshops for family members of hearing impaired people and assisting local schools in mainstreaming hearing impaired children.

Seven hundred dollars (\$700.00) to Mother's Helpers of Wilmington, N.C., for its community service programs.

One thousand five hundred dollars (\$1,500) to The Southeastern Sickle Cell Association, Incorporated, to help educate citizens about sickle cell disease and to assist patients suffering from sickle cell disease.

One thousand five hundred dollars (\$1,500) to Pender County for the Canetuck Community Center for its public service programs and for repairs.

One thousand five hundred dollars (\$1,500) to Katie B. Hines Senior Center, Inc., for supplies and equipment.

One thousand five hundred dollars (\$1,500) to Coastal Recreation, Inc., in Pender County for its community service projects.

Three thousand five hundred dollars (\$3,500) to Headstart of New Hanover, Incorporated, to help with the cost of renovations to the building, which houses the Head Start program.

Three thousand five hundred dollars (\$3,500) to Food Bank of the Lower Cape Fear for its community service projects.

One thousand five hundred dollars (\$1,500) to the Cape Fear Literacy Council to promote its educational services to help eliminate illiteracy.

One thousand dollars (\$1,000) to Child Advocacy Commission of Wilmington-New Hanover County, Inc., to support the development of Greenfield Place, which cares for children who are victims of abuse.

One thousand five hundred dollars (\$1,500) to The Association for Individual Development for the Handicapped (A.I.D.) to help support programs for learning-disabled children.

Two thousand dollars (\$2,000) to the Greater Wilmington Chamber of Commerce, Inc., to assist with the mini-grants programs for teachers.

One thousand five hundred dollars (\$1,500) to New Hanover

Community Services, Inc., to help support its community service programs, which include emergency assistance to the economically disadvantaged for food, fuel, shelter, and other services.

Two thousand two hundred dollars (\$2,200) to the Domestic Violence Shelter and Services of the Cape Fear Area, Inc., for operating expenses of the shelter and its community service programs.

One thousand dollars (\$1,000) to Pender County for the Long Creek Community Building for operating costs and repairs to the building.

One thousand dollars (\$1,000) to Families in Crisis, Inc., to help support the services it offers to family members of inmates.

One thousand four hundred dollars (\$1,400) to Pender County for the Pender County Conservancy for its community services programs.

Two thousand four hundred dollars (\$2,400) to New Hanover County Extension Service Arboretum Foundation, Inc., to help complete the greenhouse and stock it with plants.

Two thousand dollars (\$2,000) to Brigade Boys Club, Inc., to help support its community service projects.

Two thousand dollars (\$2,000) to the Salvation Army in New Hanover County for its public service programs for transients, which provide care for needy people without regard to race, creed, sex, or ethnic or religious background.

One thousand five hundred dollars (\$1,500) to Northside Neighborhood Housing Council, Inc., to help support its community programs that help low and moderate income families secure housing.

One thousand four hundred dollars (\$1,400) to the Cape Fear Development Corporation A.M.E. Zion Church for the Shaw-Speakes Community Center for its community service programs.

One hundred thousand dollars (\$100,000) to the Department of Natural Resources and Community Development to help match federal funds for the purchase of part of Masonboro Island, an undeveloped barrier island, which is the habitat of many species of wildlife, marine life, and plant life and which is also used for public recreational purposes.

S1845 EASTERN CULTURAL RESOURCES FUNDS

One thousand five hundred dollars (\$1,500) to the New Hanover County Museum Foundation, Inc., for operating expenses of the museum, which preserves historic treasures of the Lower Cape Fear region and shares the history of the area through its collections and exhibits.

One thousand seven hundred dollars (\$1,700) to the Pender County Library for operating expenses.

Two thousand dollars (\$2,000) to Pender County for the Pender

County Museum to assist with operating expenses of the museum, which shares the history of the area through its collections and exhibits.

S1846 SANTEETLAH CENTER/FIRE FUNDS

Ten thousand dollars (\$10,000) to Graham County for the Santeetlah Community Center and the Santeetlah Volunteer Fire Department for operating expenses and equipment.

S1848 WAKE-HARNETT CULTURAL FUNDS

Eight thousand dollars (\$8,000) to the Capital Area Arts Foundation, Inc., for operating expenses for the second year of the Foundation's programs that make both art and participation in artistic endeavors available to Wake County.

Three thousand five hundred dollars (\$3,500) to the Raleigh Oratorio Society for operating expenses in providing professional classical vocal music performances for Wake County.

Three thousand dollars (\$3,000) to the Town of Garner in Wake County for renovation of the historic depot.

Five thousand five hundred dollars (\$5,500) to the General William C. Lee Memorial Commission, Inc., of Harnett County, for the purchase and maintenance of exhibits at the General William C. Lee Memorial Museum.

Three thousand five hundred dollars (\$3,500) to the Friends of Page-Walker Hotel, Inc., of Wake County for restoration of the historic Page-Walker Hotel.

Two thousand five hundred dollars (\$2,500) to the Dorothea Dix Volunteer Service Guild, of Wake County, for restoration of Spring Hill, the historic Theophilus Hunter House.

S1849 WAKE-LEE HUMAN SERVICES FUNDS

Two thousand five hundred dollars (\$2,500) to Rehabilitation Services of Wake County, Incorporated, for operating expenses in serving more indigent patients in Wake and adjoining counties.

Three thousand five hundred dollars (\$3,500) to the Cued Speech Center, Inc., of Wake County, for development of expanded programs to serve the hearing impaired.

Three thousand five hundred dollars (\$3,500) to Learning Together, Inc., of Wake County, for expansion of provisional services, such as physical therapy, occupational therapy, and family support.

Two thousand five hundred dollars (\$2,500) to the Shelley School Child Development Center, of Wake County, for transportation services needed in its ongoing programs serving retarded children

from 18 months to eight years.

Five thousand five hundred dollars (\$5,500) to the Garner Senior Center, Inc., of Wake County, for construction of a new facility to house the Center's services to senior citizens.

One thousand five hundred dollars (\$1,500) to the Wake County Association for Retarded Citizens, Inc., for People, We Are, to provide group training sessions and guidance for adults with developmental disabilities.

One thousand five hundred dollars (\$1,500) to Christian Life Home, in Wake County, for operating expenses for its residential services for young women in need.

Two thousand five hundred dollars (\$2,500) to Shepherd's Table Soup Kitchen, Inc., in Wake County, to renovate the kitchen facilities to enable the Soup Kitchen to continue to provide meals for the homeless and those needing aid.

Two thousand five hundred dollars (\$2,500) to Life Experiences, Inc., of Wake County, for operating expenses in employment services for mentally handicapped adults.

Five thousand five hundred dollars (\$5,500) to the Women's Center of Raleigh for operating expenses of its counseling and outreach programs.

Three thousand dollars (\$3,000) to Hospice of Lee County, Inc., for operating expenses in providing compassionate care to the terminally ill and their families.

Four thousand five hundred dollars (\$4,500) to the Town of Fuquay-Varina, in Wake County, to replace the lighting system at the baseball facility used by the youth in the community.

Three thousand dollars (\$3,000) to Wilders Grove Youth Center, Inc., of Wake County, for capital improvements, and operating expenses in providing community recreation for youth.

Two thousand five hundred dollars (\$2,500) to Lee County Industries, Inc., for operating expenses in providing employment services to the handicapped.

§1850 1ST DISTRICT PUBLIC SERVICE PROJECTS FUNDS

Five thousand dollars (\$5,000) to the City of Elizabeth City for operation of the Albemarle Food Bank.

Five thousand dollars (\$5,000) to the City of Elizabeth City for operation of the Albemarle Hopeline.

Two thousand dollars (\$2,000) to Hyde County for operation of the Hyde Focus on Aging.

Five thousand dollars (\$5,000) to the Columbia-Tyrrell County Fire Department for operations and capital improvements.

Five thousand dollars (\$5,000) to Tyrrell County for operation of

the Tyrrell County Athletic Booster Club.

Four thousand dollars (\$4,000) to Washington County for the construction of a livestock barn.

Five thousand dollars (\$5,000) to Dare County for operation of the Friends of Nags Head Woods.

Three thousand dollars (\$3,000) to the Eastern Minority Economic Development Corporation for operating expenses in supporting economic development in Eastern minority communities.

Eight thousand dollars (\$8,000) to the Town of Belhaven for a museum.

Three thousand dollars (\$3,000) to Camden County for operation of the 4-H Club Camp.

Three thousand dollars (\$3,000) to Pasquotank County for operation of the 4-H and Handicapped Programs.

Five thousand dollars (\$5,000) to Currituck County for capital improvements and operations of the Community Buildings in Gibbs Woods, Powells Point, Coinjack, and Shawboro, and for the Good Hope Nutrition Site.

Two thousand dollars (\$2,000) to Tyrrell County for operation of the 4-H Leaders Organization.

Two thousand dollars (\$2,000) to Tyrrell County for operation of the 4-H bus in Columbia.

Five thousand dollars (\$5,000) to Dare County for operation of the Manteo Hopeline.

Five thousand dollars (\$5,000) to the Washington County Fire Department for operation of the Creswell Unit.

Five thousand dollars (\$5,000) to Washington County for operation of libraries in schools.

Three thousand dollars (\$3,000) to Bertie County for equipment for the Sheriff's Department.

Fifteen thousand dollars (\$15,000) to the Town of Roper for capital expenses or equipment.

S1854 9TH DISTRICT PUBLIC SAFETY PROJECTS FUNDS

Eight thousand dollars (\$8,000) to Beaufort County for grants-in-aid, for equipment and supply purchases, of five hundred dollars (\$500.00) each for the following entities:

- Chocowinity Fire Department
- Pamlico Beach Fire Department
- Blounts Creek Volunteer Fire Department
- Old Ford Volunteer Fire Department
- Bath Fire Department
- Aurora Fire Department
- Pinetown Fire Department

Long Acre Volunteer Fire Department
 Bunyan Volunteer Fire Department
 Sidney Fire Department
 Pamlico Beach Rescue Squad
 Long Acre Volunteer Rescue Squad
 Aurora Rescue Squad
 Blounts Creek Volunteer Rescue Squad
 Washington Rescue Squad
 Bath Community Rescue Squad.

Three thousand dollars (\$3,000) to Martin County for grants-in-aid, for equipment purchases, of five hundred dollars (\$500.00) each for the following entities:

Williamston Fire Department
 Jamesville Fire Department
 Bear Grass Fire Department
 Griffin Township Fire Department
 Williamston Rescue Squad, Inc.
 Jamesville Rescue Squad.

Two thousand dollars (\$2,000) to the Town of Winterville in Pitt County for the Winterville Rescue Squad building.

Nine thousand dollars (\$9,000) to Pitt County for grants-in-aid, for equipment and supply purchases, of five hundred dollars (\$500.00) each for the following entities:

Ayden Fire Department
 Black Jack Fire Department
 Eastern Pines Fire Department
 Clarks Neck Fire Department
 Gardnerville Fire Department
 Grifton Fire Department
 Grimesland Fire Department
 Pactolus Rural Fire Dept., Inc.
 Red Oak Fire Department
 Simpson Fire Department
 Staton House Fire Department
 Carolina Township Volunteer Fire Department
 Winterville Fire Department
 Ayden Rescue Squad
 Winterville Rescue Squad
 Grifton Rescue Squad, Inc.
 Eastern Pines Rescue Squad
 Pactolus Rescue Squad.

S1855 9TH DISTRICT COMMUNITY SERVICES FUNDS

Two thousand dollars (\$2,000) to the Town of Ayden to be allocated

as follows:

- (1) One thousand five hundred dollars (\$1,500) for the Recreation Department; and
- (2) Five hundred dollars (\$500.00) for the Little League park project.

Five hundred dollars (\$500.00) to the Sheppard Memorial Library of Pitt County for the purchase of books and supplies.

Two hundred fifty dollars (\$250.00) to United Cerebral Palsy of North Carolina, Inc., for the Greenville Developmental Center for the purchase of equipment and supplies.

Thirty-one thousand five hundred dollars (\$31,500) to the Town of Grifton to be allocated as follows:

- (1) Seven hundred fifty dollars (\$750.00) for Town Improvements;
- (2) Seven hundred fifty dollars (\$750.00) for the senior citizens program; and
- (3) Thirty thousand dollars (\$30,000) for renovation of the historic Grifton Railroad Depot.

Two thousand dollars (\$2,000) to the Town of Winterville to be allocated as follows:

- (1) One thousand five hundred dollars (\$1,500) for maintenance and repairs of the Community Center and equipment for the Recreation Department; and
- (2) Five hundred dollars (\$500.00) for the Winterville Historical and Arts Society for program support.

Two thousand five hundred dollars (\$2,500) to the Board of Governors of The University of North Carolina for East Carolina University to be allocated as follows:

- (1) Five hundred dollars (\$500.00) for the North River Adventures in Health Center for health education;
- (2) Five hundred dollars (\$500.00) for the Remedial Education Activity Program for the purchase of supplies;
- (3) One thousand dollars (\$1,000) for the East Carolina University School of Medicine Rainbow Services Program in Pediatrics for children with cancer, for the purchase of equipment and supplies; and
- (4) Five hundred dollars (\$500.00) for the East Carolina University School of Medicine for the Creative Living Center for Senior Citizens' Day Care for the purchase of equipment and supplies.

Seven hundred fifty dollars (\$750.00) to the Pitt-Greenville Arts Council for the purchase of equipment and supplies.

Five hundred dollars (\$500.00) to the Boys Club of Pitt County, Inc., for the purchase of equipment and supplies.

Five hundred dollars (\$500.00) to the Pitt County Family Violence Program for the purchase of equipment and supplies.

One thousand dollars (\$1,000) to the Pitt County Historical Society, Inc., for architectural surveys.

One thousand dollars (\$1,000) to Pitt County Senior Citizens for the purchase of equipment and supplies for the Senior Citizens Center.

Seven hundred fifty dollars (\$750.00) to Pitt County for the Pitt County Mental Health Center for the purchase of equipment and supplies for its Pitt County Child Development Center.

Five hundred dollars (\$500.00) to Children's Services of Eastern Carolina, Inc., for the Ronald McDonald House for the purchase of equipment and supplies.

Seven hundred fifty dollars (\$750.00) to the City of Greenville for the Museum of History located in the old Eppes High School building for the purchase of equipment and supplies for the hall of history.

Five hundred dollars (\$500.00) to Real Crisis Intervention, Inc., for operating expenses and telephone expenses.

Five hundred dollars (\$500.00) to the Village of Simpson for municipal improvements or the costs of developing plans for the town hall.

Three thousand five hundred dollars (\$3,500) to the Pitt County Board of Education to be allocated as follows:

- (1) Five hundred dollars (\$500.00) for the Wellcome Middle School for the library;
- (2) One thousand dollars (\$1,000) for G.R. Whitfield School for the athletic field;
- (3) One thousand dollars (\$1,000) for Pactolus School for recreation programs; and
- (4) One thousand dollars (\$1,000) for Chicod School for recreation equipment and supplies.

Five hundred dollars (\$500.00) to the Greenville Area Preservation Association for the costs of publishing an architectural inventory.

Seven hundred fifty dollars (\$750.00) to Safeway For All People, Incorporated, for drug abuse prevention and foster care services.

Four thousand dollars (\$4,000) to the City of Greenville for improvements to the West Greenville Fire Station, which serves as a community center.

One thousand dollars (\$1,000) to the Department of Community Colleges for Pitt Community College for program development.

Seven hundred fifty dollars (\$750.00) to the City of Greenville for the Greenville Soup Kitchen for the costs of operating the soup kitchen.

Two thousand five hundred dollars (\$2,500) to the Pamlico-Tar River Foundation, Inc., to provide education regarding the

environment.

One thousand dollars (\$1,000) to Options to Domestic Violence and Sexual Assault, Inc., in Beaufort County for program enrichment.

Two thousand five hundred dollars (\$2,500) to the Town of Aurora for BHM Regional Library (the Beaufort-Hyde-Martin Regional Library) for the Hazel W. Guilford Memorial Library in Aurora for improvements to the library building.

One thousand dollars (\$1,000) to the BHM Regional Library (the Beaufort-Hyde-Martin Regional Library) for the purchase of books and supplies.

Three thousand dollars (\$3,000) to the Greater Washington Chamber of Commerce, Inc., for the promotion of tourism and economic development.

Two thousand dollars (\$2,000) to Beaufort County for the Bonnertown Headstart Center for its programs for children.

Three thousand dollars (\$3,000) to the Metropolitan African Methodist Episcopal Zion Church, Inc., for its summer tutorial program for school children.

One thousand dollars (\$1,000) to Pamlico Pals, Inc., which provides necessary role models for children in need for program enrichment.

Four thousand dollars (\$4,000) to the Martin Community Players, Inc., for the cost of providing cultural arts programs to the public.

Seven hundred fifty dollars (\$750.00) to the Town of Jamesville for municipal improvements.

Seven hundred fifty dollars (\$750.00) to the Town of Bear Grass for municipal improvements.

One thousand dollars (\$1,000) to the Board of Governors of The University of North Carolina for program support for the Volunteers in Partnership with Parents in Martin County, administered through East Carolina University School of Medicine, to provide services to retarded children and their families.

Three thousand dollars (\$3,000) to Martin County Community Action, Inc., for its Head Start for program enrichment.

S1856 ALAMANCE-CASWELL SCHOOLS FUNDS

Three thousand dollars (\$3,000) to the Caswell County Board of Education to purchase and provide materials and supplies for the performing and fine arts departments at Bartlett Yancey High School and N.L. Dillard Junior High School, to be allocated as follows:

- (1) Two thousand dollars (\$2,000) for the Bartlett Yancey High School; and
- (2) One thousand dollars (\$1,000) for the N.L. Dillard Junior High School.

Four thousand dollars (\$4,000) to the Burlington City Board of Education to provide materials and supplies for the performing and fine arts departments of Walter Williams High School and Hugh Cummings High School, to be allocated two thousand dollars (\$2,000) for each school.

Eight thousand dollars (\$8,000) to the Alamance County Board of Education to purchase and provide materials and supplies for the performing and fine arts departments of Graham High School, Eastern Alamance High School, Western Alamance High School, and Southern Alamance High School, to be allocated two thousand dollars (\$2,000) for each school.

S1858 6TH DISTRICT HUMAN SERVICES FUNDS

Five hundred dollars (\$500.00) to the Town of Parmele, in Martin County, for operating expenses of the senior citizens' community center.

Two thousand dollars (\$2,000) to the Town of Farmville, in Pitt County, for operating expenses for recreational and community service projects of the Farmville Senior Citizens' Center.

Three thousand dollars (\$3,000) to the Christian Fellowship Home of Nash-Edgecombe Counties, Incorporated, for operating expenses in providing a half-way house for recovering alcoholics.

One thousand dollars (\$1,000) to the Rocky Mount Senior Citizens' Center, in Edgecombe County for operating expenses in providing services and programs for senior citizens in Edgecombe County.

One thousand dollars (\$1,000) to Tri-County Industries, Inc., in Edgecombe County, for operating expenses in providing vocational rehabilitation programs and services.

Three thousand two hundred fifty dollars (\$3,250) to Tarboro Community Outreach, Inc., of Edgecombe County, for operating expenses for its community relief programs and services.

One thousand dollars (\$1,000) to the Town of Tarboro for the E.L. Roberson Senior Citizens' Center, for operating expenses.

Three thousand dollars (\$3,000) to Diversified Opportunities, Inc., of Wilson County, for operating expenses in providing employment experiences for the handicapped.

Two thousand dollars (\$2,000) to Princeville Senior Citizens, Inc., for recreation activities for the Princeville Senior Citizens Center.

S1859 6TH DISTRICT COMMUNITY SERVICE FUNDS

One thousand dollars (\$1,000) to the Town of Tarboro for the Tarboro Chamber of Commerce, to promote tourism in Tarboro and Edgecombe County.

One thousand dollars (\$1,000) to the Town of Robersonville in

Martin County for the Robersonville Senior Citizens' Center, for operating expenses.

One thousand dollars (\$1,000) to the Town of Bethel in Pitt County for the Bethel Senior Citizens' Center, for operating expenses.

One thousand dollars (\$1,000) to the City of Wilson for the Wilson City Chamber of Commerce, to promote tourism in the area.

Five thousand dollars (\$5,000) to the Pitt County Board of Education for the North Pitt High School Boosters Club for capital expenses and equipment for athletic facilities.

One thousand dollars (\$1,000) to the Town of Bethel for the Bethel Recreation Department for operating expenses, equipment, and capital expenditures for recreation programs.

S1860 6TH DISTRICT PUBLIC SAFETY FUNDS

Two thousand dollars (\$2,000) to the Robersonville Fire Department of Martin County for equipment and operating expenses.

Two thousand dollars (\$2,000) to the Town of Bethel in Pitt County for the Bethel Volunteer Fire Department and Rescue Squad, for equipment and operating expenses.

One thousand five hundred dollars (\$1,500) to the Belvoir Volunteer Fire Department, Inc., in Pitt County for equipment and operating expenses.

Seven hundred fifty dollars (\$750.00) to the Belvoir Volunteer Fire Department, Inc., in Pitt County to contract for a fire hydrant extension.

One thousand five hundred dollars (\$1,500) to the Falkland Volunteer Fire Department, Inc., in Pitt County for equipment and operating expenses.

One thousand five hundred dollars (\$1,500) to the Fountain Fire Department in Pitt County for equipment and operating expenses.

One thousand five hundred dollars (\$1,500) to the Bell Arthur First Responders, Inc., in Pitt County for equipment and operating expenses.

One thousand five hundred dollars (\$1,500) to West Edgecombe Volunteer Fire Department, Inc., in Edgecombe County for equipment and operating expenses.

One thousand five hundred dollars (\$1,500) to Edgecombe County for the Maccripine Volunteer Fire Department for equipment and operating expenses.

One thousand five hundred dollars (\$1,500) to the Conetoe Volunteer Fire Company in Edgecombe County for equipment and operating expenses.

One thousand five hundred dollars (\$1,500) to the Princeville Volunteer Fire Department, Inc., of Edgecombe County, for

equipment and operating expenses.

One thousand five hundred dollars (\$1,500) to the Leggett Volunteer Fire Department, Inc., in Edgecombe County for equipment and operating expenses.

One thousand five hundred dollars (\$1,500) to the Heartease Volunteer Fire Department, Inc., in Edgecombe County for equipment and operating expenses.

One thousand five hundred dollars (\$1,500) to the Lewis Community Volunteer Fire Department, Inc., in Edgecombe County, for equipment and operating expenses.

Five thousand dollars (\$5,000) to the Elm City Emergency Services, Inc., in Wilson County for equipment and operating expenses.

Three thousand dollars (\$3,000) to South Edgecombe Rural Fire Department of Edgecombe County for equipment and operating expenses.

\$1861 16TH DISTRICT CULTURAL RESOURCES FUNDS

Three thousand dollars (\$3,000) to Mann's Chapel Church Preservation Society for its preservation project.

One thousand dollars (\$1,000) to the Town of Hillsborough for preservation of and improvements to Burwell School, an historic site.

Five thousand dollars (\$5,000) to Chatham County to assist with renovations to the historic Chatham County Courthouse.

Five thousand dollars (\$5,000) to The Sandhills Art Council, Inc., in Moore County to help promote the arts.

Fifteen thousand dollars (\$15,000) to The Randolph Arts Guild in Randolph County to help promote the arts.

One thousand dollars (\$1,000) to The Malcolm Blue Historical Society to maintain the homes, barns, and grounds of the Malcolm Blue Historical Site.

One thousand dollars (\$1,000) to Pinetree Enterprises in Moore County to enable services to mentally and physically handicapped to continue and to expand those services.

Five thousand dollars (\$5,000) to the Department of Community Colleges for the Sandhills Horticultural Gardens for continued installation of the Raleigh Garden, increased programming and services through the nationally acclaimed Department of Landscape Gardening at Sandhills Community College, and signage for the Sandhills Horticultural Gardens. This appropriation shall not be subject to any requirement that the funds be matched with non-State funds.

Ten thousand dollars (\$10,000) to the Department of Cultural Resources, Division of Archives and History, for planning a Museum of North Carolina Traditional Pottery, which will benefit not only the

citizens of Randolph, Moore, and Montgomery Counties, but all the citizens of the State by displaying its historic and modern pottery and related crafts and by promoting the continued development of fine pottery.

S1862 N.C.S.U. LEGAL PUBLICATIONS FUNDS

One thousand five hundred dollars (\$1,500) to the Board of Governors of The University of North Carolina for the purchase of subscriptions to law reviews and other legal publications for the D.H. Hill Library collection at North Carolina State University.

S1863 KELLY STREET/CROSSROADS FUNDS

Sixty-nine thousand dollars (\$69,000) to the Department of Human Resources for the operation of the "Kelly Street, U.S.A." boarding home which provides a home and instruction in independent living skills for the mentally handicapped, and for operating expenses of the "Crossroads" alternative living project which provides supervised individual living units and instruction in independent living and work skills for the mentally handicapped, provided the sum of thirty-five thousand dollars (\$35,000) is raised from private and non-State public sources in Rowan, Davie, and Iredell Counties to match the State funds. These funds shall be administered by the Tri-County Mental Health, Mental Retardation, and Substance Abuse Authority.

S1864 18TH DISTRICT PUBLIC SAFETY PROJECTS FUNDS

One thousand five hundred dollars (\$1,500) to the White Marsh-Welches Creek Volunteer Fire Department for operating expenses and equipment.

One thousand dollars (\$1,000) to Southport Rescue Squad for equipment.

Two thousand dollars (\$2,000) to the Waccamaw Volunteer Fire Department and Rescue Squad, Inc., for a pumper.

PART II.-----CORRECTIONS TO APPROPRIATIONS FOR PUBLIC PROJECTS

Requested by: Senator Warren

-----MICRO FUNDS CORRECTION

Sec. 2. Paragraph S1013 of Section 6 of Chapter 830 of the 1987 Session Laws reads as rewritten:

"S1013 MICRO ~~COMMUNITY~~ RESCUE SQUAD BUILDING FUNDS

Eight thousand dollars (\$8,000) to the ~~Town of Micro in Johnston~~

County Micro Rescue Ambulance Service, Inc., for the completion of the Micro ~~Community~~ Rescue Squad Building."

Requested by: Senator Sherron

-----ANDERSON CREEK SENIOR CENTER CORRECTION

Sec. 3. Paragraph S1252 of Section 6 of Chapter 830 of the 1987 Session Laws reads as rewritten:

"S1252 ~~WESTERN BOONE TRAIL MEDICAL CENTER FUNDS~~

Two thousand five hundred dollars (\$2,500) to the ~~Western Boone Trail Medical Center in Spring Lake, Inc.~~, for a heating system for the Anderson Creek Senior Citizens meeting building."

Requested by: Senator Block

-----NEW HANOVER RESCUE FUNDS CORRECTION

Sec. 4. Paragraph S1460 of Section 6 of Chapter 830, 1987 Session Laws reads as rewritten:

"S1460 ~~NEW HANOVER FIRE/RESCUE FUNDS~~

Five hundred dollars (\$500.00) to Ogden-New Hanover Volunteer Rescue Squad, Inc., for operating expenses and equipment.

Five hundred dollars (\$500.00) to the ~~Castle Hayne Volunteer Rescue Squad, Inc., for operating expenses and equipment.~~ New Hanover County to be allocated as follows: four hundred dollars (\$400.00) to Ogden-New Hanover Volunteer Rescue Squad, Inc., and one hundred dollars (\$100.00) to Pleasure Island Volunteer Rescue Squad, Inc., for operating expenses and equipment.

Four thousand dollars (\$4,000) to New Hanover, to be divided equally among the following fire departments for operating expenses and equipment:

Castle Hayne Volunteer Fire Department, Inc.

Federal Point Volunteer Fire Department, Inc.

Myrtle Grove Fire Department, Inc.

Ogden Volunteer Fire Department, Inc.

Sea Gate Fire Department, Inc.

South Wilmington Volunteer Fire Department, Inc.

Winter Park Volunteer Fire Department, Inc.

Wrightsboro Volunteer Fire Department, Inc."

Requested by: Senator Rand

-----FAYETTEVILLE CONSTITUTION BICENTENNIAL CELEBRATION FUNDS

Sec. 5. Of the funds appropriated to the City of Fayetteville in

Section 417 of Chapter 1114 of the 1983 Session Laws, Section 72.2 of Chapter 1116 of the 1983 Session Laws, and Section 4 of Chapter 1014 of the 1985 Session Laws, one hundred thousand dollars (\$100,000) shall be used by the City of Fayetteville for its celebration honoring the bicentennial of the United States Constitution and one hundred fifty thousand (\$150,000) shall be used for renovation of the Market House in Fayetteville.

Requested by: Senator Harrington

-----FIRST IN FREEDOM CORRECTION

Sec. 6. Paragraph S962 of Chapter 830 of the 1987 Session Laws reads as rewritten:

"S962 'FIRST IN FREEDOM' FUNDS

Two thousand four hundred fifty dollars (\$2,450) to ~~the Halifax County Historical Association~~ Eastern Stage, Inc., for the purpose of further developing and supporting the outdoor historical drama, 'First in Freedom'."

Requested by: Senator Harrington

-----BERTIE DENTAL CLINIC FUNDS CORRECTION

Sec. 7. Paragraph S342 of Chapter 830 of the 1987 Session Laws reads as rewritten:

"S342 BERTIE DENTAL CLINIC FUNDS

Twenty-five thousand dollars (\$25,000) to ~~Bertie County~~ the Bertie Citizens' Dental Clinic in Windsor for renovations to the Bertie Dental Clinic."

PART III-----MISCELLANEOUS PROVISIONS

Requested by: Senator Plyler

-----WARRANTS FOR CERTAIN APPROPRIATIONS

Sec. 8. Other than those to State agencies, the Office of State Budget and Management shall draw warrants for appropriations made by the 1987 General Assembly, 1988 Session, and send them no later than October 15, 1988, by U.S. Mail to the entity entitled to receive them, at the address supplied by the Fiscal Research Division, unless matching fund requirements or other legal requirements have not been met. In those instances, the warrants shall be sent under the same procedure as soon as the requirements have been met.

Requested by: Senator Plyler

-----SEVERABILITY CLAUSE

Sec. 9. If any section or provision of this act is declared unconstitutional or invalid by the courts, it does not affect the validity of the act as a whole or any part other than the part so declared to be to be unconstitutional or invalid.

Requested by: Senator Plyler

-----EFFECT OF HEADINGS

Sec. 10. The headings to the Parts and sections of this act are a convenience to the reader and are for reference only. The headings do not expand, limit, or define the text of this act.

Requested by: Senator Plyler

-----EFFECTIVE DATE

Sec. 11. Except as otherwise provided, this act is effective upon ratification.

In the General Assembly read three times and ratified this the 8th day of July, 1988.

S.B. 1559

CHAPTER 1095

AN ACT TO PROVIDE FOR THE URGENT NEEDS OF OLDER ADULTS, TO BEGIN BUILDING AN IN-HOME AND COMMUNITY-BASED SYSTEM OF SERVICES FOR OLDER ADULTS, AND TO APPROPRIATE THE NECESSARY FUNDS.

Whereas, by the year 2000, there will be nearly one million North Carolinians 65 years of age and older; and

Whereas, the group of older adults needing the most assistance, those of 85 years of age and older, is increasing at a rate twice as fast as the group 65 years of age and older; and

Whereas, the State of North Carolina spends about five times more on institutional care for the elderly than on community-based care, even though four of every five frail elderly persons live at home, dependent upon family members, church groups, and other informal caregivers; and

Whereas, more than 130 older adults, caregivers, providers, and advocates testified at four public hearings held by the North Carolina Study Commission on Aging across the State in February and March 1988, and stressed the urgency of the need for more in-home services,

for adequate transportation services, and for more support for family members and other caregivers; and

Whereas, North Carolina currently does not have a well coordinated full-service system of in-home and community-based services for the elderly, whether subsidized or fee-supported, nor has the State developed a management system for a full-fledged service system for older adults; and

Whereas, the legislation addressed in this proposal, developed as a package, is designed to lead to a more coordinated and more visionary system of in-home and community-based care for older adults, while also meeting urgent needs, as explained fully in the Report of the North Carolina Study Commission on Aging to the 1987 General Assembly, 1988 Session; Now, therefore,

The General Assembly of North Carolina enacts:

PART I.-----EMERGENCY NEEDS

-----TRANSPORTATION.

Section 1. (a) Article 2B of Chapter 136 is amended by adding a new section to read:

"§ 136-44.27. *North Carolina Elderly and Handicapped Transportation Assistance Program.*--(a) There is established the Elderly and Handicapped Transportation Assistance Program that shall provide State financed elderly and handicapped transportation services for counties within the State. The Department of Transportation is designated as the agency of the State responsible for administering State funds appropriated to purchase elderly and handicapped transportation services for counties within the State. The Department shall develop appropriate procedures regarding the distribution and use of these funds and shall adopt rules to implement these procedures. No funds appropriated pursuant to this act may be used to cover State administration costs.

(b) For the purposes of this section, an elderly person is defined as one who has reached the age of 60 or more years, and a handicapped person is defined as one who has a physical or mental impairment that substantially limits one or more major life activities, an individual who has a record of such impairment, or an individual who is regarded as having such an impairment. Certification of eligibility shall be the responsibility of the county.

(c) All funds distributed by the Department under this section are intended to purchase additional transportation services, not to replace funds now being used by local governments for that purpose. These funds are not to be used towards the purchase of transportation vehicles or equipment. To this end, only those counties maintaining

elderly and handicapped transportation services at a level consistent with those in place on January 1, 1987, shall be eligible for additional transportation assistance funds.

(d) The Public Transportation Division of the Department of Transportation shall distribute these funds to the counties according to the following formula: fifty percent (50%) divided equally among all counties; twenty-two and one-half percent (22 1/2%) based upon the number of elderly residents per county as a percentage of the State's elderly population; twenty-two and one-half percent (22 1/2%) based upon the number of handicapped residents per county as a percentage of the State's handicapped population; and, the remaining five percent (5%) based upon a population density factor that recognizes the higher transportation costs in sparsely populated counties.

(e) Funds distributed by the Department under this section shall be used by counties in a manner consistent with transportation development plans which have been approved by the Department and the Board of County Commissioners. To receive funds apportioned for a given fiscal year, a county shall have an approved transportation development plan. Funds that are not obligated in a given fiscal year due to the lack of such a plan will be distributed to the eligible counties based upon the distribution formula prescribed by subsection (d) of this section."

(b) This section shall become effective only upon the transfer pursuant to G.S. 105-164.44A to the Department of Transportation of the sum of two million dollars (\$2,000,000) for fiscal year 1988-89, to provide funds for the North Carolina Elderly and Handicapped Transportation Assistance Program established by this section.

-----IN-HOME AGING SERVICES

Sec. 2. Of the funds appropriated from the General Fund to the Division of Aging, Department of Human Resources in Chapter 886 of the 1987 Session Laws, for the 1988-89 fiscal year the sum of seven hundred twenty thousand dollars (\$720,000) shall be used to provide funds for much needed, additional in-home aide services that enable the frail elderly to remain in their homes and avoid institutionalization.

The Division shall administer the in-home aide services and activities funded by this section. The Division of Aging shall choose in-home service providers on the basis of a competitive bid process and shall include the following criteria: documented capacity to provide care, adequacy of quality assurance, training, supervision, abuse prevention, complaint mechanisms, and costs. All funds allocated by the Division pursuant to this section shall be allocated by October 1, 1988.

-----SENIOR CENTERS/CAPITAL IMPROVEMENTS

Sec. 3. The sum of three hundred sixty thousand dollars (\$360,000) for the 1988-89 fiscal year shall be used by the Department of Human Resources, Division of Aging for capital improvements to the existing senior centers. The Division of Aging shall expend the funds received under this section to rehabilitate existing senior centers. The funds received shall be allocated by June 30, 1989.

PART II-----COMMUNITY-BASED SERVICES/INITIATIVES FOR THE FUTURE

-----CAREGIVER SUPPORT

Sec. 4. (a) Of the funds appropriated from the General Fund to the Division of Aging, Department of Human Resources in Chapter 886 of the 1987 Session Laws, the sum of one million eight thousand dollars (\$1,008,000) for the 1988-89 fiscal year shall be used for services that support family caregivers of elderly persons with functional disabilities, whether physical or mental, who want to stay in their homes rather than be institutionalized but who need assistance with the activities of daily living in order to be able to remain at home. The services that may be purchased from funds received under this section include:

- (1) Respite care services, under the rules adopted by the Department of Human Resources on behalf of the Division of Aging;
- (2) Respite care and adult day care services, under the rules adopted pursuant to Title III-B of the Older Americans Act;
- (3) Stipends for senior companions, modeled after the federal Senior Companion program;
- (4) Other related services that meet needs not now adequately addressed by the services described in subdivisions (1) through (3) of this subsection.

(b) The Division of Aging shall expend funds for these services according to the population of persons 70 years or more in each region. The Division of Aging shall use a minimum of ninety-five percent (95%) of the funds it receives under this section for the services described in subdivisions (1) through (4) of subsection (a) of this section and may only use a maximum of five percent (5%) for technical assistance as described in subsection (c) of this section. Funds allocated by the Division pursuant to this section shall be allocated by October 1, 1988.

(c) The Division of Aging may contract for technical assistance. The technical assistance shall include training assistance, coordination of various service delivery and funding sources, and ideas for innovative ways to build a lasting system of services for family

caregivers.

-----SENIOR CENTER OUTREACH

Sec. 5. The sum of four hundred three thousand eight hundred dollars (\$403,800) for the 1988-89 fiscal year shall be used by the Department of Human Resources, Division of Aging, to allow existing senior centers to attempt a statewide outreach of services. All of these funds shall be allocated by October 1, 1988. No senior center may receive more than ten thousand dollars (\$10,000) pursuant to this section.

All funds received under this section shall test "satellite" services provided by existing senior centers to unserved or underserved areas or to provide start-up funds for new senior centers. If the Division of Aging decides to use funds received under this section for starting up a new senior center, the County Commissioners shall first:

- (1) Formally endorse the need for such a center;
- (2) Formally agree on the sponsoring agency for the center; and
- (3) Make a formal commitment to use local funds to support the ongoing operation of the center.

-----PROGRAM DEVELOPMENT

Sec. 6. The sum of three hundred eighty-four thousand dollars (\$384,000) for the 1988-89 fiscal year, shall be used by the Department of Human Resources, Division of Aging, to develop local strategic planning capacity. This planning shall include determining what services for older adults are lacking in each region, stimulating new services to fill these gaps, and improving administrative coordination. All allocations shall be distributed by October 1, 1988.

-----SENIOR GAMES

Sec. 6.1. The sum of sixty thousand dollars (\$60,000) for the 1988-89 fiscal year, shall be used by the Department of Human Resources, Division of Aging, for a grant-in-aid to the North Carolina Senior Games, Inc., for the North Carolina Senior Games Program.

-----AREA AGENCIES ON AGING SUPPORT

Sec. 7. The sum of one hundred forty-two thousand two hundred dollars (\$142,200) for the 1988-89 fiscal year shall be allocated by the Department of Human Resources, Division of Aging, to help with the additional local costs incurred by the work required by Sections 2 through 6 of this act. All allocations shall be distributed by October 1, 1988.

-----INFORMATION AND REFERRAL. CASE MANAGEMENT PILOT PROJECTS

Sec. 8. The sum of six hundred thousand dollars (\$600,000) for the 1988-89 fiscal year shall be used by the Department of Human Resources, Division of Aging to establish seven pilot programs to test how different kinds of information and referral systems can lead to a

full case-management system for services to the elderly. The pilots shall be established so as to address urban and rural issues, region-specific issues, and various head agency considerations. The funds for these programs shall be allocated to the following seven counties: Craven, Buncombe, Cumberland, Robeson, Surry, Guilford, and Mecklenburg. Each county shall contract with an entity located within that county to establish and operate the pilot program authorized by this section.

PART III-----OTHER ACTIONS

-----BLACK MOUNTAIN CENTER ALZHEIMER'S FACILITY

Sec. 9. The sum of eight hundred fifty-two thousand dollars (\$852,000) for the 1988-89 fiscal year for capital improvements to the Black Mountain Center shall be used by the Department of Human Resources to renovate the Center to provide for an Alzheimer's facility. This amount shall supplement previous appropriations totaling one million nine hundred seventy-eight thousand dollars (\$1,978,000) making a total of two million eight hundred thirty thousand dollars (\$2,830,000) available to renovate this facility.

-----DIVISION OF AGING EVALUATION/REPORT

Sec. 10. Pursuant to its continuing mandate in G.S. 143B-181.1 *et seq.*, continually to "review policies affecting the well being of older adults," which review is to include an "evaluation of programs," the Division of Aging shall review the programs and services established and funded in Sections 2, 3, 4, 5, and 6 of this act. The review and evaluation of the programs and services established and funded in Section 4, CAREGIVER SUPPORT, of this act, shall include a recommendation as to how fragmentation in the field of programs and services for caregivers might be minimized. Specifically, the Division shall recommend what role the Divisions of Aging, of Social Services, and of Medical Assistance, should continue to have in funding and administering State and federal funds related to family caregiver assistance. The review and evaluation of Section 5, SENIOR CENTER OUTREACH, shall include specific recommendations as to whether a senior center should be built in every county and as to whether State standards should be established for senior centers. The review and evaluation of Section 6, PROGRAM DEVELOPMENT, shall include a determination whether the General Assembly should mandate that each county designate a focal point or lead agency for services for older adults.

The Division shall present a written report, including its review, evaluation, and specific implementation recommendations, by March 1, 1989, to the President of the Senate, the Speaker of the House of Representatives, the Fiscal Research Division of the Legislative

Services Offices, and to the North Carolina Study Commission on Aging.

-----INDEPENDENT EVALUATION

Sec. 11. The sum of fifty thousand dollars (\$50,000) for the 1988-89 fiscal year for the North Carolina Study Commission on Aging shall be used by the Legislative Services Commission to contract with one or more policy analysts, who shall have experience with evaluating community-based, long-term care projects for older adults in other states and at the federal level. The independent analysts shall evaluate how well the initiatives funded in this act will lead to a more coordinated and more visionary system of community-based and related services for older adults.

The evaluation shall begin on September 1, 1988, and shall report the results of the evaluation, including any recommendations, to the North Carolina Study Commission on Aging.

Sec. 12. The headings to the parts and sections of this act are a convenience to the reader and are for reference only. The headings do not expand, limit, or define the text of this act.

Sec. 13. None of the programs or projects established by Sections 3, 5, 6, 7, 8, 9 and 11 of this act shall be put into effect unless there are funds specifically appropriated for them.

Sec. 14. This act is effective upon ratification.

In the General Assembly read three times and ratified this the 11th day of July, 1988.

H.B. 2430

CHAPTER 1096

AN ACT TO PROVIDE THAT SALES AND USE TAXES SHALL BE IMPOSED ON CERTAIN MAIL ORDER SALES.

The General Assembly of North Carolina enacts:

Section 1. G.S. 105-164.3(5) reads as rewritten:

"(5) 'Engaged in business' shall mean maintaining, occupying or using permanently or temporarily, directly or indirectly, or through a subsidiary or agent, by whatever name called, any office, place of distribution, sales or sample room or place, warehouse or storage place, or other place of business, for the selling or delivering of tangible personal property for storage, use or consumption in this State, or permanently or temporarily, directly or through a subsidiary, having any representative, agent, salesman, canvasser or solicitor operating in this State in such selling or delivering, and the fact that any corporate retailer, agent or subsidiary engaged in business in this State may not be legally domesticated or qualified to do business in this State shall be immaterial. It shall also mean the maintaining in

this State, either permanently or temporarily, directly or through a subsidiary, tangible personal property for the purpose of lease or rental. It shall also mean making a mail order sale, as defined in subdivision (8a) of this section, if one of the conditions listed in G.S. 105-164.8(b) is met."

Sec. 2. G.S. 105-164.3(14) reads as rewritten:

"(14) 'Retailer' means and includes every person engaged in the business of making sales of tangible personal property at retail, either within or without this State, or peddling the same or soliciting or taking orders for sales, whether for immediate or future delivery, for storage, use or consumption in this State and every manufacturer, producer or contractor engaged in business in this State and selling, delivering, erecting, installing or applying tangible personal property for use in this State notwithstanding that said property may be permanently affixed to a building or realty or other tangible personal property. 'Retailer' also means a person who makes a mail order sale, as defined in subdivision (8a) of this section, if one of the conditions listed in G.S. 105-164.8(b) is met. Provided, however, that when in the opinion of the Secretary it is necessary for the efficient administration of this Article to regard any salesmen, solicitors, representatives, consignees, peddlers, truckers or canvassers as agents of the dealers, distributors, consignors, supervisors, employers or persons under whom they operate or from whom they obtain the tangible personal property sold by them regardless of whether they are making sales on their own behalf or on behalf of such dealers, distributors, consignors, supervisors, employers or persons, the Secretary may so regard them and may regard the dealers, distributors, consignors, supervisors, employers or persons as 'retailers' for the purpose of this Article."

Sec. 3. G.S. 105-164.3 is amended by redesignating subdivision (8a) as (8b) and adding a new subdivision (8a) to read:

"(8a) 'Mail order sale' means a sale of tangible personal property, ordered by mail, telephone, computer link, or other similar method, to a purchaser who is in this State at the time the order is remitted, from a retailer who receives the order in another state and transports the property or causes it to be transported to a person in this State. It is presumed that a resident of this State who remits an order was in this State at the time the order was remitted."

Sec. 4. G.S. 105-164.8 reads as rewritten:

"§ 105-164.8. *Retailer to collect tax regardless of place sale ~~consummated.~~ consummated; mail order sales subject to tax.*--(a) Every

retailer engaged in business in this State as defined in this Article shall collect said tax notwithstanding

- (1) That the purchaser's order or the contract of sale is delivered, mailed or otherwise transmitted by the purchaser to the retailer at a point outside this State as a result of solicitation by the retailer through the medium of a catalogue or other written advertisement; or
- (2) That the purchaser's order or the contract of sale is made or closed by acceptance or approval outside this State, or before said tangible personal property enters this State; or
- (3) That the purchaser's order or the contract of sale provides that said property shall be or is in fact procured or manufactured at a point outside this State and shipped directly to the purchaser from the point of origin; or
- (4) That said property is mailed to the purchaser in this State or a point outside this State or delivered to a carrier outside this State f.o.b. or otherwise and directed to the purchaser in this State regardless of whether the cost of transportation is paid by the retailer or by the purchaser; or
- (5) That said property is delivered directly to the purchaser at a point outside this State; or
- (6) Any combination in whole or in part of any two or more of the foregoing statements of fact, if it is intended that the tangible personal property purchased be brought to this State for storage, use or consumption in this State.

(b) A retailer who makes a mail order sale is engaged in business in this State and is subject to the tax levied under this Article if one of the following conditions is met:

- (1) The retailer is a corporation engaged in business under the laws of this State or a person domiciled in, a resident of, or a citizen of, this State;
- (2) The retailer maintains retail establishments or offices in this State, whether the mail order sales thus subject to taxation by this State result from or are related in any other way to the activities of such establishments or offices;
- (3) The retailer has representatives in this State who solicit business or transact business on behalf of the retailer, whether the mail order sales thus subject to taxation by this State result from or are related in any other way to such solicitation or transaction of business;
- (4) The property was delivered in this State in fulfillment of a sales contract that was entered into in this State, in

- accordance with applicable conflict of laws rules, when a person in this State accepted an offer by ordering the property;
- (5) The retailer, by purposefully or systematically exploiting the market provided by this State by any media-assisted, media-facilitated, or media-solicited means, including direct mail advertising, distribution of catalogues, computer-assisted shopping, television, radio or other electronic media, telephone solicitation, magazine or newspaper advertisements, or other media, creates nexus with this State;
- (6) Through compact or reciprocity with another jurisdiction of the United States, that jurisdiction uses its taxing power and its jurisdiction over the retailer in support of this State's taxing power; or
- (7) The retailer consents, expressly or by implication, to the imposition of the tax imposed by this Article. For purposes of this subdivision, evidence that a retailer engaged in the activity described in subdivision (5) shall be prima facie evidence that the retailer consents to the imposition of the tax imposed by this Article."

Sec. 5. The General Assembly finds that legislation is pending in Congress that would authorize the states to require out-of-state retailers who make mail order sales to residents of the state to collect state and local sales and use taxes. This legislation would only apply, however, if the combined state and local tax rate is imposed at the same rate in all geographic areas of the state. It is the intent of the General Assembly to take advantage of this federal legislation. Therefore, if this federal legislation is enacted, effective on the date this federal legislation is enacted, notwithstanding the provisions of G.S. 105-473, 105-483, 105-490, and 105-498, and Chapter 1096 of the 1967 Session Laws, no county may repeal any local sales and use tax enacted pursuant to Article 39, 40, 41, or 42 of Chapter 105 of the General Statutes or Chapter 1096 of the 1967 Session Laws that is in effect on the effective date of the federal legislation.

Sec. 6. It is the intent of the General Assembly that the Department of Revenue shall collect all of the sales and use taxes due to the State and local governments. Notwithstanding the provisions of G.S. 105-268.1, the Secretary of Revenue may, without seeking prior approval of the Governor and the Council of State, enter into agreements with any other state to coordinate and promote collection of sales and use taxes by retailers making mail order sales, as defined in this act.

Sec. 7. The Department of Revenue shall study the practical, legal, and fiscal consequences of this act's extension of liability for collection of State and local sales and use taxes, and shall report the results of its study and any recommendations for legislative changes to the Revenue Laws Study Committee of the Legislative Research Commission on or before December 1, 1988. In addition, the Department of Revenue shall promptly report any additional information and recommendations it develops after that date to the President of the Senate, the Speaker of the House of Representatives, the Chairman of the House Finance Committee, and the Chairman of the Senate Finance Committee.

Sec. 8. This act shall become effective January 1, 1989, and applies to sales made on or after that date.

In the General Assembly read three times and ratified this the 11th day of July, 1988.

H.B. 2524

CHAPTER 1097

AN ACT TO APPROPRIATE FUNDS FOR MINORITY ECONOMIC DEVELOPMENT PROJECT GRANTS AND FOR THE NORTH CAROLINA INSTITUTE OF MINORITY ECONOMIC DEVELOPMENT.

The General Assembly of North Carolina enacts:

Section 1. (a) There is appropriated from the General Fund for the 1988-89 fiscal year the sum of one million five hundred thousand dollars (\$1,500,000) to the Rural Economic Development Center, Inc., for the purpose of making grants to establish pilot projects for minority economic development through institutions owned or controlled by minorities.

(b) Of the funds appropriated by subsection (a) of this section, no greater than sixty-six and two thirds percent (66 2/3%) is to be disbursed to minority owned or controlled credit unions, and no less than thirty-three and one third percent (33 1/3%) is to be disbursed to Community Development Corporations, which are incorporated under Chapter 55A of the General Statutes and serve minority and underdeveloped communities.

(c) There is appropriated from the General Fund for the 1988-89 fiscal year the sum of five hundred thousand dollars (\$500,000) to the Rural Economic Development Center, Inc., to be available until March 1, 1989, as matching funds for the purpose of expanding the resource pool to support minority economic development throughout

North Carolina. Any interest that accrues on the matching funds prior to distribution of the matching funds shall be disbursed to the institutions designated in subsection (b) of this section according to the percentages provided in subsection (b) of this section. Any funds remaining after March 1, 1989, shall be disbursed to the institutions designated in subsection (b) of this section according to the percentages provided in subsection (b) of this section.

(d) The Rural Economic Development Center, Inc., shall make a written report by May 1, 1989, to the General Assembly on the use of the funds appropriated under subsections (a) and (c) of this section.

Sec. 2. There is appropriated from the General Fund for the 1988-89 fiscal year the sum of two hundred fifty thousand dollars (\$250,000) to the North Carolina Institute of Minority Economic Development for operating expenses.

Sec. 3. The Office of State Budget shall disburse the funds appropriated by Sections 1 and 2 of this act by August 1, 1988.

Sec. 4. This act is effective upon ratification.

In the General Assembly read three times and ratified this the 11th day of July, 1988.

H.B. 1237

CHAPTER 1098**AN ACT TO REGULATE INVESTMENT ADVISERS.**

The General Assembly of North Carolina enacts:

Section 1. The General Statutes are amended by adding a new Chapter to read:

"CHAPTER 78C. INVESTMENT ADVISERS.**"Article 1.****"Title and Definitions.**

" § 78C-1. Title.--This Chapter shall be known and may be cited as the North Carolina Investment Advisers Act.

" § 78C-2. Definitions.--When used in this Chapter, the definitions of G.S. 78A-2 shall apply along with the following, unless the context otherwise requires:

(1) 'Investment adviser' means any person who, for compensation, engages in the business of advising others, either directly or through publications or writings, as to the value of securities or as to the advisability of investing in, purchasing, or selling securities, or who, for compensation and as part of a regular business, issues or promulgates analyses or reports concerning securities. 'Investment adviser' also includes financial planners and other persons who, as an

integral component of other financially related services, provide the foregoing investment advisory services to others for compensation and as a part of a business or who hold themselves out as providing the foregoing investment advisory services to others for compensation. 'Investment adviser' does not include:

- a. An investment adviser representative or a person excluded from the definition of investment adviser representative pursuant to G.S. 78C-2(4)c.;
- b. A bank, savings institution, or trust company;
- c. A lawyer, accountant, engineer, or teacher whose performance of any such services is solely incidental to the practice of his profession;
- d. A dealer or its salesman whose performance of these services is solely incidental to the conduct of its business as a dealer and who receives no special compensation for them;
- e. A publisher of any newspaper, news column, newsletter, news magazine, or business or financial publication or service, whether communicated in hard copy form, or by electronic means, or otherwise, that does not consist of the rendering of advice on the basis of the specific investment situation of each client;
- f. A person solely by virtue of such person's services to or on behalf of any 'business development company' as defined in Section 202(a)(22) of the Investment Advisers Act of 1940 provided the business development company is not an 'investment company' by reason of Section 3(c)(1) of the Investment Company Act of 1940, as both acts were in effect on June 1, 1988;
- g. A personal representative of a decedent's estate, guardian, conservator, receiver, attorney in fact, trustee in bankruptcy, trustee of a testamentary trust, or a trustee of an *inter vivos* trust, not otherwise engaged in providing investment advisory services, and the performance of these services is not a part of a plan or scheme to evade registration or the substantive requirements of this Chapter;
- h. A licensed real estate agent or broker whose only compensation is a commission on real estate sold;
- i. An individual or company primarily engaged in acting as a business broker whose only compensation is a commission on the sale of a business;
- j. An individual who, as an employee, officer or director of, or general partner in, another person and in the course of performance of his duties as such, provides investment advice

to such other person, or to entities that are affiliates of such other person, or to employee benefit plans of such other person or its affiliated entities, or, with respect to such employee benefit plans, to employees of such other person or its affiliated entities;

- k. Any person who is exempt from registration under the Investment Advisers Act of 1940 by operation of Section 203(b)(3) of said act or by operation of any rule or regulation promulgated by the United States Securities and Exchange Commission under or related to said Section 203(b)(3) provided that any reference in this sub-subsection to any statute, rule or regulation shall be deemed to incorporate said statute, rule or regulation (and any statute, rule or regulation referenced therein) as in effect on June 1, 1988;
- l. An employee of a person described in subdivision b., e., f., g., h., or j. of G.S. 78C-2(4) acting on behalf of such person within the scope of his employment;
- m. Such other persons not within the intent of this subsection as the Administrator may by rule or order designate.

(2) 'Investment Advisers Act of 1940' means the federal statute of that name as amended before or after the effective date of this Chapter.

(3) 'Investment adviser representative' means any partner, officer, director (or a person occupying a similar status or performing similar functions) or other individual employed by or associated with an investment adviser, except clerical personnel, who:

- a. Makes any recommendations and otherwise renders advice regarding securities directly to clients,
- b. Manages accounts or portfolios of clients,
- c. Determines which recommendations or advice regarding securities should be given; provided, however if there are more than five such persons employed by or associated with an investment adviser, who do not otherwise come within the meaning of G.S. 78C-2(4)a., b., d., or e., then only the direct supervisors of such persons are deemed to be investment adviser representatives under G.S. 78C-2(4)c.,
- d. Solicits, offers or negotiates for the sale of or sells investment advisory services, unless such person is a dealer or salesman registered under Chapter 78A of the General Statutes and the person would not be an investment adviser representative except for the performance of the activities described in G.S. 78C-2(4)d., or
- e. Directly supervises investment adviser representatives as defined in G.S. 78C-2(4)a., b., c. (unless such investment adviser representatives are already required to register due to

their role as supervisors by operation of G.S. 78C-2(4)c.), or d. in the performance of the foregoing activities.

§ 78C-3 to 78C-7.--Reserved for future codification purposes.

"Article 2.

"Fraudulent and Prohibited Practices.

" § 78C-8. *Advisory activities.*--(a) It is unlawful for any person who receives, directly or indirectly, any consideration from another person for advising the other person as to the value of securities or their purchase or sale, whether through the issuance of analyses or reports or otherwise,

- (1) To employ any device, scheme, or artifice to defraud the other person,
- (2) To engage in any act, practice, or course of business which operates or would operate as a fraud or deceit upon the other person, or
- (3) Acting as principal for his own account, knowingly to sell any security to or purchase any security from a client, or acting as broker for a person other than such client, knowingly to effect any sale or purchase of any security for the account of such client, without disclosing to such client in writing before the completion of such transaction the capacity in which he is acting and obtaining the consent of the client to such transaction. The prohibitions of this subdivision shall not apply to any transaction with a customer of a dealer if such dealer is not acting as an investment adviser in relation to such transaction.

(b) In the solicitation of advisory clients, it is unlawful for any person to make any untrue statement of a material fact, or omit to state a material fact necessary in order to make the statements made, in light of the circumstances under which they are made, not misleading.

(c) Except as may be permitted by rule or order of the Administrator, it is unlawful for any investment adviser to enter into, extend, or renew any investment advisory contract unless it provides in writing:

- (1) That the investment adviser shall not be compensated on the basis of a share of capital gains upon or capital appreciation of the funds or any portion of the funds of the client (unless otherwise provided by subsection (d) or (f) below);
- (2) That no assignment of the contract may be made by the investment adviser without the consent of the other party to the contract; and
- (3) That the investment adviser, if a partnership, shall notify the

other party to the contract of any change in the membership of the partnership within a reasonable time after the change.

(d) Subdivision (c)(1) does not apply to any person who is exempt from registration under the Investment Advisers Act of 1940 by operation of Section 203(b)(3) of said act or by operation of any rule or regulation promulgated by the United States Securities and Exchange Commission under or related to said Section 203(b)(3) provided that any reference in this subsection (d) to any statute, rule or regulation shall be deemed to incorporate said statute, rule or regulation (and any statute, rule or regulation referenced therein) as in effect on June 1, 1988. Subdivision (c)(1) does not prohibit an investment advisory contract which provides for compensation based upon the total value of a fund averaged over a definite period, or as of definite dates or taken as of a definite date. 'Assignment,' as used in subdivision (c)(2), includes any direct or indirect transfer or hypothecation of an investment advisory contract by the assignor or of a controlling block of the assignor's outstanding voting securities by a security holder of the assignor; but, if the investment adviser is a partnership, no assignment of an investment advisory contract is considered to result from the death or withdrawal of a minority of the members of the investment adviser having only a minority interest in the business of the investment adviser, or from the admission to the investment adviser of one or more members who, after admission, will be only a minority of the members and will have only a minority interest in the business.

(e) It is unlawful for any investment adviser to take or have custody of any securities or funds of any client in contravention of any rule or order of the Administrator prohibiting, limiting or regulating such custody.

(f) The Administrator may by rule or order adopt exemptions from subdivision (a)(3) and subdivisions (c)(1), (c)(2) and (c)(3) where such exemptions are consistent with the public interest and within the purposes fairly intended by the policy and provisions of this Chapter.

" § 78C-9. *Misleading filings.*--It is unlawful for any person to make or cause to be made, in any document filed with the Administrator or in any proceeding under this Chapter, any statement which is, at the time and in the light of the circumstances under which it is made, false or misleading in any material respect.

" § 78C-10. *Unlawful representations concerning registration or exemption.*--(a) Neither (i) the fact that an application for registration under Article 3 of this Chapter has been filed nor (ii) the fact that a person is effectively registered constitutes a finding by the

Administrator that any document filed under this Chapter is true, complete, and not misleading. Neither any such fact nor the fact that an exemption or exception is available means that the Administrator has passed in any way upon the merits or qualifications of, or recommended, or given approval to any person.

(b) It is unlawful to make, or cause to be made, to any prospective customer, or client, any representation inconsistent with subsection (a) of this section.

§ 78C-11 to 78C-15.--Reserved for future codification.

"Article 3.

"Registration of Investment Advisers and
Investment Adviser Representatives.

" § 78C-16. *Registration requirement.*--(a) It is unlawful for any person to transact business in this State as an investment adviser or as an investment adviser representative unless:

- (1) He is so registered under this Chapter;
- (2) His only clients in this State are investment companies as defined in the Investment Company Act of 1940, other investment advisers, dealers, banks, trust companies, savings institutions, savings and loan associations, insurance companies, employee benefit plans with assets of not less than one million dollars (\$1,000,000), and governmental agencies or instrumentalities, whether acting for themselves or as trustees with investment control, or other institutional investors as are designated by rule or order of the Administrator;
- (3) He has no place of business in this State and during any period of 12 consecutive months does not direct business communications into this State in any manner to more than 10 clients, other than those specified in subdivision (2), whether or not he or any of the persons to whom the communications are directed is then present in this State; or
- (4) He is an investment adviser representative employed by or associated with an investment adviser exempt from registration under subdivisions (2) or (3), above.

(b) It is unlawful for any investment adviser required to be registered to employ or associate an investment adviser representative unless the investment adviser representative is registered under this Chapter. The registration of an investment adviser representative is not effective during any period when he is not employed by or associated with an investment adviser registered under this Chapter. When an investment adviser representative begins or terminates employment or association with an investment adviser, the investment adviser shall promptly notify the Administrator. No investment

adviser representative may be registered with more than one investment adviser unless each of the investment advisers which employs or associates the investment adviser representative is under common ownership or control.

(c) Every registration expires December 31st of each year unless renewed.

"§ 78C-17. *Registration procedures.*--(a) An investment adviser, or investment adviser representative may obtain an initial or renewal registration by filing with the Administrator or his designee an application together with a consent to service of process pursuant to G.S. 78C-46(b). The application shall contain whatever information the Administrator by rule requires concerning such matters as:

- (1) The applicant's form and place of organization;
- (2) The applicant's proposed method of doing business;
- (3) The qualifications and business history of the applicant; in the case of an investment adviser, the qualifications and business history of any partner, officer, or director, any person occupying a similar status or performing similar functions, or any person directly or indirectly controlling the investment adviser;
- (4) Any injunction or administrative order or conviction of a misdemeanor involving a security or any aspect of the securities business and any conviction of a felony;
- (5) The applicant's financial condition and history; and
- (6) Any information to be furnished or disseminated to any client or prospective client.

If no denial order is in effect and no proceeding is pending under G.S. 78C-19, registration becomes effective at noon of the 30th day after an application is filed. The Administrator may by rule or order specify an earlier effective date, and he may by order defer the effective date until noon of the 30th day after the filing of any amendment. Registration of an investment adviser automatically constitutes registration of any investment adviser representative who is a partner, executive officer, or director, or a person occupying a similar status or performing similar functions.

(b) Every applicant for initial or renewal registration shall pay a filing fee of two hundred dollars (\$200.00) in the case of an investment adviser, and forty-five dollars (\$45.00) in the case of an investment adviser representative. When an application is denied or withdrawn, the Administrator shall retain the fee.

(c) A registered investment adviser may file an application for registration of a successor, whether or not the successor is then in existence, for the unexpired portion of the year. There shall be no filing fee.

(d) The Administrator may by rule establish minimum net capital requirements not to exceed one hundred thousand dollars (\$100,000) for registered investment advisers, which may include different requirements for those investment advisers who maintain custody of clients' funds or securities or who have discretionary authority over same and those investment advisers who do not.

(e) The Administrator may by rule require registered investment advisers who have custody of or discretionary authority over client funds or securities to post surety bonds in amounts up to one hundred thousand dollars (\$100,000), and may determine their conditions. Any appropriate deposit of cash or securities shall be accepted in lieu of any bond so required. No bond may be required of any investment adviser whose minimum net capital, which may be defined by rule, exceeds one hundred thousand dollars (\$100,000). Every bond shall provide for suit thereon by any person who has a cause of action under G.S. 78C-38 and, if the Administrator by rule or order requires, by any person who has a cause of action not arising under this Chapter. Every bond shall provide that no suit may be maintained to enforce any liability on the bond unless brought within the time limitations of G.S. 78C-38(d).

" § 78C-18. *Post-Registration provisions.*--(a) Every registered investment adviser shall make and keep such accounts, correspondence, memoranda, papers, books and records as the Administrator by rule prescribes. All records so required shall be preserved for three years unless the Administrator by rule prescribes otherwise for particular types of records.

(b) With respect to investment advisers, the Administrator may require that certain information be furnished or disseminated as necessary or appropriate in the public interest or for the protection of investors and advisory clients. To the extent determined by the Administrator in his discretion, information furnished to clients or prospective clients of an investment adviser pursuant to the Investment Advisers Act of 1940 and the rules thereunder may be used in whole or partial satisfaction of this requirement.

(c) Every registered investment adviser shall file such financial reports as the Administrator by rule prescribes.

(d) If the information contained in any document filed with the Administrator is or becomes inaccurate or incomplete in any material respect, the registrant shall promptly file a correcting amendment unless notification of the correction has been given under G.S. 78C-16(b).

(e) All the records referred to in subsection (a) of this section are subject at any time or from time to time to such reasonable periodic, special, or other examinations by representatives of the Administrator.

within or without this State, as the Administrator deems necessary or appropriate in the public interest or for the protection of investors. For the purpose of avoiding unnecessary duplication of examinations, the Administrator, insofar as he deems it practicable in administering this subsection, may cooperate with the securities administrators of other states, the Securities and Exchange Commission, and any national securities exchange or national securities association registered under the Securities Exchange Act of 1934.

"§ 78C-19. *Denial, revocation, suspension, bar, censure, cancellation, and withdrawal of registration.*--(a) The Administrator may by order deny, suspend or revoke any registration, or bar or censure any registrant or any officer, director, partner or person occupying a similar status or performing similar functions for a registrant, from employment with a registered investment adviser, or restrict or limit a registrant as to any function or activity of the business for which registration is required in this State if he finds:

- (1) That the order is in the public interest and;
- (2) That the applicant or registrant or, in the case of an investment adviser, any partner, officer or director, any person occupying a similar status or performing similar functions, or any person directly or indirectly controlling the investment adviser;
 - a. Has filed an application for registration which as of its effective date, or as of any date after filing in the case of an order denying effectiveness, was incomplete in any material respect or contained any statement which was, in light of the circumstances under which it was made, false or misleading with respect to any material fact;
 - b. Has willfully violated or willfully failed to comply with any provision of this Chapter or Chapter 78A or any rule or order under this Chapter or Chapter 78A;
 - c. Has been convicted, within the past 10 years, of any misdemeanor involving a security or the financial services business, or any aspect of the securities business, or the financial services business, or any felony;
 - d. Is permanently or temporarily enjoined by any court of competent jurisdiction from engaging in or continuing any conduct or practice involving any aspect of the securities or financial services business;
 - e. Is the subject of an order of the Administrator denying, suspending, barring, revoking, restricting or limiting registration as a dealer, salesman, investment adviser or

- investment adviser representative;
- f. Is the subject of an adjudication or determination within the past five years by a securities, commodities or other financial services regulatory agency or an administrator of such laws of another state or a court of competent jurisdiction that the person has violated the Securities Act of 1933, the Securities Exchange Act of 1934, the Investment Advisers Act of 1940, the Investment Company Act of 1940 or the Commodity Exchange Act, or the securities or commodities law of any other state or any other financial services regulatory laws as the Administrator may designate by rule;
 - g. Has engaged in dishonest or unethical practices in the securities or financial services business;
 - h. Is insolvent, either in the sense that his liabilities exceed his assets or in the sense that he cannot meet his obligations as they mature; but the Administrator may not enter an order against an investment adviser under this clause without a finding of insolvency as to the investment adviser;
 - i. Is not qualified on the basis of such factors as training, experience, and knowledge of the securities business, except as otherwise provided in subsection (b) of this section;
 - j. Has failed reasonably to supervise his salesmen or employees if he is a dealer or his investment adviser representatives or employees if he is an investment adviser to assure their compliance with this Chapter; or
 - k. Has failed to pay the proper filing fee; but the Administrator may enter only a denial order under this clause, and he shall vacate any such order when the deficiency has been corrected.

The Administrator may not institute a suspension or revocation proceeding on the basis of a fact or transaction known to him when registration became effective unless the proceeding is instituted within the next 120 days.

(b) The following provisions govern the application of G.S. 78C-19(a)(2)i.:

- (1) The Administrator may not enter an order against an investment adviser on the basis of the lack of qualification of any person other than (i) the investment adviser himself if he is an individual or (ii) an investment adviser

representative.

- (2) The Administrator may not enter an order solely on the basis of lack of experience if the applicant or registrant is qualified by training or knowledge or both.
- (3) The Administrator shall consider that an investment adviser representative who will work under the supervision of a registered investment adviser need not have the same qualifications as an investment adviser.
- (4) The Administrator shall consider that an investment adviser or investment adviser representative is not necessarily qualified solely on the basis of experience as a dealer or salesman.
- (5) The Administrator may by rule provide for an examination, including an examination developed or approved by an organization of securities administrators, which examination may be written or oral or both, to be taken by any class of or all applicants. The Administrator may by rule or order waive the examination requirement as to a person or class of persons if the Administrator determines that the examination is not necessary for the protection of advisory clients.

(c) The Administrator may by order summarily postpone or suspend registration pending final determination of any proceeding under this section. Upon the entry of the order, the Administrator shall promptly notify the applicant or registrant, as well as the employer or prospective employer if the applicant or registrant is an investment adviser representative, that it has been entered and of the reasons therefor and that within 15 days after the receipt of a written request the matter will be set down for hearing. If no hearing is requested and none is ordered by the Administrator, the order will remain in effect until it is modified or vacated by the Administrator. If a hearing is requested or ordered, the Administrator, after notice of and opportunity for hearing, may modify or vacate the order or extend it until final determination.

(d) If the Administrator finds that any registrant or applicant for registration is no longer in existence or has ceased to do business as an investment adviser or investment adviser representative, or is subject to an adjudication of mental incompetence or to the control of a committee, conservator, or guardian, or cannot be located after reasonable search, the Administrator may by order cancel the registration or application.

(e) Withdrawal from registration as an investment adviser or investment adviser representative becomes effective 90 days after receipt of an application to withdraw or within such shorter period of time as the Administrator may determine, unless a revocation or

suspension proceeding is pending when the application is filed or a proceeding to revoke or suspend or to impose conditions upon the withdrawal is instituted within 90 days after the application is filed. If a proceeding is pending or instituted, withdrawal becomes effective at such time and upon such conditions as the Administrator by order determines. If no proceeding is pending or instituted and withdrawal automatically becomes effective, the Administrator may nevertheless institute a revocation or suspension proceeding under G.S. 78C-19(a)(2)b. within one year after withdrawal became effective and enter a revocation or suspension order as of the last date on which registration was effective.

(f) No order may be entered under any part of this section except the first sentence of subsection (c) of this section without (i) appropriate prior notice to the applicant or registrant (as well as the employer or prospective employer if the applicant or registrant is an investment adviser representative) (ii) opportunity for hearing, and (iii) written findings of fact and conclusions of law.

"§ 78C-20. *Alternative methods of registration.*--(a) The Administrator may by rule or order provide an alternative method of registration by which any investment adviser or investment adviser representative may satisfy the requirements of this Article by furnishing the information otherwise required to be filed pursuant to this Article. The Administrator may provide for, among other things, alternative filing periods for investment advisers and investment adviser representatives, elimination of the issuance of a paper license and alternative methods for the payment and collection of initial or renewal filing fees, which shall be known as 'alternative filing fees'. The alternative filing fees shall be the same as provided in G.S. 78C-17(b).

(b) The Administrator may not adopt an alternative method of registration unless its purpose is to facilitate a central registration depository whereby investment advisers and investment adviser representatives can centrally or simultaneously register and pay fees for all states in which they plan to transact business that require registration. The Administrator may enter into an agreement with or otherwise facilitate an alternative method of registration with any national securities association registered with the Securities and Exchange Commission pursuant to Section 15A of the Securities Exchange Act of 1934, any national securities exchange registered under the Securities Exchange Act of 1934, or any national association of state securities administrators or similar association to effectuate the provisions of this section.

(c) Nothing in this section shall be construed to prevent the exercise of the authority of the Administrator as provided in G.S. 78C-

19.

" § 78C-21 to 78C-25.--Reserved for future codification.

"Article 4.

"Administration and Review.

" § 78C-26. *Administration of Chapter.*--(a) This Chapter shall be administered by the Secretary of State. The Secretary of State as Administrator may delegate all or part of the authority under this Chapter to the Deputy Securities Administrator including, but not limited to, the authority to conduct hearings, and make, execute and issue final agency orders and decisions. The Secretary of State may appoint such clerks and other assistants as may from time to time be needed.

(b) It is unlawful for the Administrator or any of his officers or employees to use for personal benefit any information which is filed with or obtained by the Administrator and which is not made public. No provision of this Chapter authorizes the Administrator or any of his officers or employees to disclose any such information except among themselves or when necessary or appropriate in a proceeding or investigation under this Chapter. No provision of this Chapter either creates or derogates from any privilege which exists at common law or otherwise when documentary or other evidence is sought under a subpoena directed to the Administrator or any of his officers or employees.

(c) All fees provided for under this Chapter shall be collected by the Administrator and shall be paid over to the State Treasurer to go into the General Fund.

" § 78C-27. *Investigations and subpoenas.*--(a) The Administrator in his discretion:

- (1) May make such public or private investigations within or outside of this State as he deems necessary to determine whether any person has violated or is about to violate any provision of this Chapter or any rule or order hereunder, or to aid in the enforcement of this Chapter or in the prescribing of rules and forms hereunder;
- (2) May require or permit any person to file a statement in writing, under oath or otherwise as the Administrator determines, as to all the facts and circumstances concerning the matter to be investigated; and
- (3) May publish information concerning any violation of this Chapter or any rule or order hereunder.

(b) For the purpose of any investigation or proceeding under this Chapter, the Administrator or any officer designated by him may administer oaths and affirmations, subpoena witnesses, compel their

attendance, take evidence and require the production of any books, papers, correspondence, memoranda, agreements, or other documents or records which the Administrator deems relevant or material to the inquiry.

(c) In case of contumacy by, or refusal to obey a subpoena issued to any person, any court of competent jurisdiction, upon application by the Administrator, may issue to the person an order requiring him to appear before the Administrator, or the officer designated by him, there to produce documentary evidence if so ordered or to give evidence touching the matter under investigation or in question. Failure to obey the order of the court may be punished by the court as a contempt of court.

(d) The Administrator may act under subsection (b) of this section or apply under subsection (c) of this section to enforce subpoenas in this State at the request of a securities agency or administrator of any state if the alleged activities constituting a violation for which the information is sought would be a violation of this Chapter or any rule hereunder if the alleged activities had occurred in this State.

" § 78C-28. *Injunctions; cease and desist orders.*--(a) Whenever it appears to the Administrator that any person has engaged or is about to engage in any act or practice constituting a violation of any provision of this Chapter or any rule or order hereunder, he may in his discretion bring an action in any court of competent jurisdiction to enjoin the acts or practices and to enforce compliance with this Chapter or any rule or order hereunder. Upon a proper showing a permanent or temporary injunction, restraining order, or *writ of mandamus* shall be granted and a receiver or conservator may be appointed for the defendant or the defendant's assets. The court may not require the Administrator to post a bond.

- (b) (1) If the Administrator determines after giving notice of an opportunity for a hearing, that any person has engaged in, or is about to engage in, any act or practice constituting a violation of any provision of this Chapter or any rule or order hereunder, he may order such person to cease and desist from such unlawful act or practice and take such affirmative action as in the judgment of the Administrator will carry out the purposes of this Chapter.
- (2) If the Administrator makes written findings of fact that the public interest will be irreparably harmed by delay in issuing an order under G.S. 78C-28(b)(1), the Administrator may issue a temporary cease and desist order. Upon the entry of

a temporary cease and desist order, the Administrator shall promptly notify in writing the person subject to the order that such order has been entered, the reasons therefor, and that within 20 days after the receipt of a written request from such person the matter shall be set down for hearing to determine whether or not the order shall become permanent and final. If no hearing is requested and none is ordered by the Administrator, the order shall remain in effect until it is modified or vacated by the Administrator. If a hearing is requested or ordered, the Administrator, after giving notice of an opportunity for a hearing to the person subject to the order, shall by written findings of fact and conclusion of law, vacate, modify, or make permanent the order.

- (3) No order under subsection (b) of this section, except an order issued pursuant to G.S. 78C-28(b)(2), may be entered without prior notice or an opportunity for hearing. The Administrator may vacate or modify an order under subsection (b) of this section upon his finding that the conditions which required such an order have changed and that it is in the public interest to so vacate or modify.
- (4) A final order issued pursuant to the provisions of subsection (b) of this section shall be subject to review as provided in G.S. 78C-29.

" § 78C-29. *Judicial review of orders.*--(a) Any person aggrieved by a final order of the Administrator may obtain a review of the order in the Superior Court of Wake County by filing in court, within 30 days after a written copy of the decision is served upon the person by personal service or by registered or certified mail, a written petition praying that the order be modified or set aside in whole or in part. A copy of the petition shall be forthwith served upon the Administrator, and thereupon the Administrator shall certify and file in court a copy of the filing and evidence upon which the order was entered. When these have been filed, the court has exclusive jurisdiction to affirm, modify, enforce, or set aside the order, in whole or in part. The findings of the Administrator as to the facts, if supported by competent, material and substantial evidence, are conclusive. If either party applies to the court for leave to adduce additional material evidence, and shows to the satisfaction of the court that there were reasonable grounds for failure to adduce the evidence in the hearings before the Administrator, the court may order the additional evidence to be taken before the Administrator and to be adduced upon the hearing in such manner and upon such conditions as the court considers proper. The Administrator may modify his findings and

order by reason of the additional evidence and shall file in court the additional evidence together with any modified or new findings or order. The judgment of the court is final, subject to review by the Court of Appeals.

(b) The commencement of proceedings under subsection (a) of this section does not, unless specifically ordered by the court, operate as a stay of the Administrator's order.

"§ 78C-30. *Rules, forms, orders, and hearings.*--(a) The Administrator may from time to time make, amend, and rescind such rules, forms, and orders as are necessary to carry out the provisions of this Chapter, including rules and forms governing registration, applications, and reports, and defining any terms, whether or not used in this Chapter, insofar as the definitions are not inconsistent with the provisions of this Chapter. For the purpose of rules and forms the Administrator may classify persons, and matters within his jurisdiction, and prescribe different requirements for different classes.

(b) No rule, form, or order may be made, amended, or rescinded unless the Administrator finds that the action is necessary or appropriate in the public interest or for the protection of investors and clients and consistent with the purposes fairly intended by the policy and provisions of this Chapter. In prescribing rules and forms the Administrator may cooperate with the securities administrators of the other states and the Securities and Exchange Commission with a view to effectuating the policy of this statute to achieve maximum uniformity in the form and content of registrations, applications, and reports wherever practicable.

(c) The Administrator may by rule or order prescribe (i) the form and content of financial statements required under this Chapter, (ii) the circumstances under which consolidated financial statements shall be filed, and (iii) whether any required financial statements shall be certified by independent or certified public accountants. All financial statements shall be prepared in accordance with generally accepted accounting practices.

(d) The Administrator may by rule or order require the filing of any prospectus, pamphlet, circular, form letter, advertisement, or other sales literature or advertising communication addressed or intended for distribution to prospective investors, including clients or prospective clients of an investment adviser.

(e) All rules and forms of the Administrator shall be published.

(f) No provision of this Chapter imposing any liability applies to any act done or omitted in good faith in conformity with any rule, form, or order of the Administrator, notwithstanding that the rule, form, or order may later be amended or rescinded or be determined

by judicial or other authority to be invalid for any reason.

(g) Every hearing in an administrative proceeding shall be public unless the Administrator in his discretion grants a request joined in by all the respondents that the hearing be conducted privately.

" § 78C-31. *Administrative files and opinions.*--(a) A document is filed when it is received by the Administrator.

(b) The Administrator shall keep a register of all applications for registration which are or have been effective under this Chapter and all denial, suspension, or revocation orders or similar orders which have been entered under this Chapter. The register shall be open for public inspection.

(c) The information contained in or filed with any registration, application, or report may be made available to the public under such rules as the Administrator prescribes.

(d) Upon request and at such reasonable charges as he prescribes, the Administrator shall furnish to any person photostatic or other copies (certified under his seal of office if requested) of any entry in the register or any document which is a matter of public record. In any proceeding or prosecution under this Chapter, any copy so certified is *prima facie* evidence of the contents of the entry or document certified.

(e) The Administrator in his discretion may honor requests from interested persons for interpretative opinions upon the payment of a fee of one hundred fifty dollars (\$150.00).

§ 78C-32 to 78C-37.--Reserved for future codification purposes.

"Article 5.

"Civil Liabilities and Criminal Penalties.

" § 78C-38. *Civil liabilities.*--(a) Any person who:

- (1) Engages in the business of advising others, for compensation, either directly or through publications or writings, as to the value of securities or as to the advisability of investing in, purchasing, or selling securities, or who, for compensation and as a part of a regular business, issues or promulgates analyses or reports concerning securities, in violation of G.S. 78C-8(b), G.S. 78C-16(a) or (b) (an action pursuant to a violation of G.S. 78C-16(b) may not be maintained except by those persons who directly received advice from the unregistered investment adviser representative), G.S. 78C-10(b), or of any rule or order under G.S. 78C-30(d) which requires the affirmative approval of sales literature before it is used, or
- (2) Receives, directly or indirectly, any consideration from another person for advice as to the value of securities or their purchase or sale, whether through the issuance of

analyses, reports or otherwise and employs any device, scheme, or artifice to defraud such other person or engages in any act, practice or course of business which operates or would operate as a fraud or deceit on such other person, in violation of G.S. 78C-8(a)(1) or (2), is liable to any person who is given such advice in such violation, who may sue either at law or in equity to recover (i) the consideration paid for such advice together with interest thereon at the legal rate as provided in G.S. 24-1 from the date of payment of the consideration, plus (ii) the actual damages to such person proximately caused by such violation, plus (iii) costs of the action and reasonable attorneys' fees. An action based on violation of G.S. 78C-8(b) may not prevail where the person accused of the violation sustains the burden of proof that he did not know, and in the exercise of reasonable care could not have known of the existence of the facts by reason of which the liability is alleged to exist.

(b) Every person who directly or indirectly controls a person liable under subsection (a) of this section, including every partner, officer, or director of such a person, every person occupying a similar status or performing similar functions, every employee or associate of such a person who materially aids in the conduct giving rise to the liability, and every dealer or salesman who materially aids in such conduct is liable jointly and severally with and to the same extent as such person, unless able to sustain the burden of proof that he did not know, and did not act in reckless disregard of the existence of the facts by reason of which the liability is alleged to exist. There is contribution as in cases of contract among the several persons so liable and as provided among tort-feasors pursuant to Chapter 1B of the General Statutes.

(c) Every cause of action under this statute survives the death of any person who might have been a plaintiff or defendant.

(d) No person may sue under this section more than three years after the rendering of investment advice in violation of this Chapter, except that in the case of a violation of G.S. 78C-8(a)(1) or (2) a person may sue under this section within two years after such person discovers or should have discovered, the facts constituting the violation.

(e) No person who has made or engaged in the performance of any contract in violation of any provision of this Chapter or any rule or order hereunder, or who has acquired any purported right under any such contract with knowledge of the facts by reason of which its making or performance was in violation, may base any suit on the contract.

(f) Any condition, stipulation, or provision binding any person

receiving any investment advice to waive compliance with any provision of this Chapter or any rule or order hereunder is void.

(g) The rights and remedies provided by this Chapter are in addition to any other rights or remedies that may exist at law or in equity, but this Chapter does not create any cause of action not specified in this section or G.S. 78C-17(e).

" § 78C-39. *Criminal penalties.*--(a) Any person who willfully violates any provision of this Chapter except G.S. 78C-9 or who willfully violates G.S. 78C-9 knowing the statement made to be false or misleading in any material respect, shall upon conviction be punished as a Class I felon.

(b) The Administrator may refer such evidence as is available concerning violations of this Chapter or of any rule or order hereunder to the Attorney General or the proper district attorney, who may, with or without such a reference, institute the appropriate criminal proceedings under this Chapter.

(c) Nothing in this Chapter limits the power of the State to punish any person for any conduct which constitutes a crime by statute or at common law.

" § 78C-40. *Burden of proof.*--In a civil or administrative proceeding brought under this Chapter, the burden of proving an exemption or an exception from a definition is upon the person claiming it. In a criminal proceeding brought under this Chapter, the State has no initial burden of producing evidence to show that the defendant's actions do not fall within the exemption or exceptions; however, once the defendant introduces evidence to show that his conduct is within the exemption or exception, the burden of persuading the trier of fact that the exemption or exception does not apply falls upon the State.

§ 78C-41 to 78C-45.--Reserved for future codification purposes.

"Article 6.

"Miscellaneous Provisions.

" § 78C-46. *Scope of the Chapter; service of process.*--(a) G.S. 78C-8, 78C-16(a) and (b), 78C-10, and 78C-38 apply when any act instrumental in effecting prohibited conduct is done in this State, whether or not either party is then present in this State.

(b) Every applicant for registration under this Chapter shall file with the Administrator, in such form as he by rule prescribes, an irrevocable consent appointing the Administrator or his successor in office to be his attorney to receive service of any lawful process in any noncriminal suit, action or proceeding against him or his successor, executor or administrator which arises under this Chapter or any rule or order hereunder after the consent has been filed, with the same force and validity as if served personally on the person filing the consent. A person who has filed such a consent in connection with a

previous registration need not file another. Service may be made by leaving a copy of the process in the office of the Administrator, but it is not effective unless (i) the plaintiff, who may be the Administrator in a suit, action, or proceeding instituted by him, forthwith sends notice of the service and a copy of the process by registered or certified mail to the defendant or respondent at his last address on file with the Administrator, and (ii) the plaintiff's affidavit of compliance with the subsection is filed in the case on or before the return day of the process, if any, or within such further time as the court allows.

(c) When any person, including any nonresident of this State, engages in conduct prohibited or made actionable by this Chapter or any rule or order hereunder, and he has not filed a consent to service of process under subsection (b) of this section and personal jurisdiction over him cannot otherwise be obtained in this State, that conduct shall be considered equivalent to his appointment of the Administrator or his successor in office to be his attorney to receive service of any lawful process in any noncriminal suit, action, or proceeding against him or his successor, executor or administrator which grows out of that conduct and which is brought under this Chapter or any rule or order hereunder with the same force and validity as if served on him personally. Service may be made by leaving a copy of the process in the office of the Administrator, and it is not effective unless (i) the plaintiff, who may be the Administrator in a suit, action, or proceeding instituted by him, forthwith sends notice of the service and a copy of the process by registered or certified mail to the defendant or respondent at his last known address or takes other steps which are reasonably calculated to give actual notice, and (ii) the plaintiff's affidavit of compliance with this subsection is filed in the case on or before the return day of the process, if any, or within such further time as the court allows.

(d) When process is served under this section, the court, or the Administrator in a proceeding before him, shall order such continuance as may be necessary to afford the defendant or respondent reasonable opportunity to defend.

" § 78C-47. *Statutory policy.*--This Chapter shall be so construed as to effectuate its general purpose to make uniform the law of those states which enact it and to coordinate the interpretation and administration of this Chapter with the related federal regulation. Nothing in this Chapter shall be construed to limit or preclude the applicability of any provision of Chapters 78A or 150B of the General Statutes.

" § 78C-48. *Severability of provisions.*--If any provision of this

Chapter or the application thereof to any person or circumstance is held invalid, the invalidity shall not affect other provisions or applications of the Chapter which can be given effect without the invalid provision or application, and to this end the provisions of this Chapter are severable.

"Article 7.

"Sports Agents.

" § 78C-60. *Sports Agents defined.*--For purposes of this Article a 'Sports Agent' shall be an agent or other person who advises athletes with respect to professional sports services contracts, endorsements and other financial matters, for compensation. 'Sports Agent' shall not include those agents or persons excluded from the definition of Investment Advisor in G.S. 78C-(2)a.- j., or m. Furthermore, G.S. 78C-(2)k. and G.S. 78C-16(a)(3) shall not apply to sports agents.

" § 78C-61. *Sports agents subject to act.*--Sports agents as defined in this Article shall be subject to all provisions of this Chapter.

" § 78C-62. *Article shall expire.*--This Article shall expire on July 1, 1989."

Sec. 2. Notwithstanding the provisions of G.S. 78C-26(c), the Secretary of State shall retain from the funds generated by the fees provided for in this act the sum of one hundred thirty-two thousand eight hundred thirty-two dollars (\$132,832) for the 1988-89 fiscal year to be used to implement the provisions of this act.

Sec. 3. This act shall become effective January 1, 1989, except that with regard to investment advisers and investment adviser representatives engaged in business in this State prior to January 1, 1989, the provisions of G.S. 78C-16 shall be complied with prior to July 1, 1989. The Secretary of State may adopt rules authorized by this act after its ratification; provided that these rules cannot become effective prior to January 1, 1989.

In the General Assembly read three times and ratified this the 11th day of July, 1988.

S.B. 109

CHAPTER 1099

AN ACT TO PERMIT PENSIONERS IN THE FIREMEN'S AND RESCUE SQUAD WORKERS' PENSION FUND TO PERFORM VOLUNTEER DUTIES WHILE RECEIVING A PENSION.

The General Assembly of North Carolina enacts:

Section 1. G.S. 118-42 is amended in the last sentence of the second paragraph by inserting the phrase "for which he is paid compensation" between the words "worker" and "shall".

Sec. 2. This act shall become effective October 1, 1988.

In the General Assembly read three times and ratified this the 12th day of July, 1988.

S.B. 257

CHAPTER 1100

AN ACT TO CREATE AND CONTINUE VARIOUS COMMITTEES AND COMMISSIONS AND TO MAKE CHANGES IN THE BUDGET OPERATIONS OF THE STATE.

The General Assembly of North Carolina enacts:

SUBCHAPTER A
STUDY COMMISSIONS AND COMMITTEES

PART I-----LEGISLATIVE RESEARCH COMMISSION STUDIES

Sec. 1.1. The Legislative Research Commission may study the topics listed below. Listed with each topic is the bill or resolution from the 1987 General Assembly that originally proposed the issue or study and the name of the sponsor. The Commission may consider the original bill or resolution in determining the nature, scope and aspects of the study. The topics are:

- (1) Open Beer Containers in Motor Vehicles (H.B. 734 -Privette)
- (2) State Ports Authority (H.B. 2640 - Hall)
- (3) International Trade (H.B. 2640 - Hall)
- (4) Equity in the Delivery of Educational Services (S.B. 1692 - Martin, W.)
- (5) Emergency Evacuations Forced by Hurricanes (S.B. 1851 - Basnight).

Sec. 1.2. Growth Management System. The Legislative Research Commission may study the feasibility of establishing a Growth Trends Development Issues Legislative Commission and may seek the assistance of the North Carolina League of Municipalities and the North Carolina Association of County Commissioners in its study. The study may include consideration of the following issues:

- (1) The need for a growth management system in North Carolina;
- (2) The need for an official set of planning data across the State;
- (3) The funding options for long-term support of growth;
- (4) A review of State and local programs affecting growth;
- (5) A review and analysis of environmental protection legislation;

- (6) The need for encouraging regional strategies for growth;
- (7) The alternatives for developing action plans, including appropriate incentives and funding mechanisms;
- (8) The need for close coordination with city and county governments;
- (9) The need for involvement of local citizens in the planning process; and
- (10) A review of statewide growth management strategies developed in other states and an analysis of whether any of those systems would work in North Carolina.

Sec. 1.3. Migrant Housing. The Legislative Research Commission may study the issue of consolidation of migrant housing regulations, including the elimination of overlapping, duplicative and conflicting regulations.

Sec. 1.4. Guardian *Ad Litem* Program Costs. The Legislative Research Commission may study the long-term costs of Guardian *Ad Litem* Program authorized by Chapter 1090 of the 1987 Session Laws (Regular Session, 1988).

Sec. 1.5. The Legislative Research Commission may report its findings and recommendations to the 1989 General Assembly.

Sec. 1.6. From the funds available to the General Assembly, the Legislative Services Commission shall allocate monies to fund the work of the Legislative Research Commission.

PART II-----HAZARDOUS WASTE MANAGEMENT STUDY COMMISSION (H.B. 93 - Hackney)

Sec. 2.1. The Hazardous Waste Management Study Commission is created. The Commission shall consist of 10 members: five Senators appointed by the President of the Senate, and five Representatives appointed by the Speaker of the House.

Sec. 2.2. The President of the Senate shall designate one Senator as cochairman and the Speaker of the House shall designate one Representative as cochairman.

Sec. 2.3. The Commission shall:

- (a) Study the current and projected need for hazardous waste treatment and disposal capacity in the State in light of anticipated generation of hazardous waste and alternatives for hazardous waste treatment and disposal;
- (b) Study the necessity for and scope of a State-owned or operated hazardous waste treatment facility;
- (c) Evaluate the potential for the development of additional hazardous waste treatment and disposal capacity by the private sector;

- (d) Review progress in securing a volunteer county to host the State's hazardous waste treatment facility;
- (e) Study incentives and compensation for the community which hosts, either voluntarily or involuntarily, the State's hazardous waste treatment facility, including any additional incentives and compensation which may be needed, whether there should be differential compensation for a volunteer county, options for use of funds by local governments, distribution of compensation among local governments, and methods of providing flexibility in the development of an incentives and compensation package for a particular local community;
- (f) Review progress in developing interstate agreements for the treatment and disposal of hazardous waste outside the State;
- (g) Examine site selection guidelines established by the Hazardous Waste Treatment Commission and determine whether any modification is needed in site selection criteria and procedures;
- (h) Analyze existing State law governing the Hazardous Waste Treatment Commission and determine whether any changes are needed;
- (i) Study the capacity assurance requirement under the Comprehensive Environmental Response, Compensation, and Liability Act of 1980, Pub. L. No. 96-510, 94 Stat. 2767, 42 U.S.C. 9601 *et seq.*, as amended, and the Superfund Amendments and Reauthorization Act of 1986, Pub. L. No. 99-499, 100 Stat. 1613, as amended as it relates to the continued eligibility of North Carolina for remedial actions under Superfund; and
- (j) Make such findings and recommendations with respect to any of the foregoing topics as it deems necessary and appropriate.

Sec. 2.4. The Commission shall submit a final report of its findings and recommendations to the General Assembly on or before the first day of the 1989 Session of the General Assembly by filing the report with the President of the Senate and the Speaker of the House of Representatives. Upon filing its final report, the Commission shall terminate.

Sec. 2.5. The Hazardous Waste Management Study Commission shall proceed expeditiously with the study authorized by this Part, to the end that the 1989 General Assembly may consider and act on the recommendations of the Study Commission as early as possible in the 1989 Session in order that the siting activities of the Hazardous Waste Treatment Commission, if any, may resume at the

earliest possible time.

Sec. 2.6. From funds available to the General Assembly, the Legislative Services Commission shall allocate monies to fund the work of the Commission created by this Part.

PART III-----JOINT SELECT COMMITTEE ON LOW-LEVEL RADIOACTIVE WASTE (H.B. 2388 - Miller)

Section 3.1. Chapter 120 of the General Statutes is amended by adding a new Article to read:

"Article 12C.

"Joint Select Committee on Low-Level Radioactive Waste.

" § 120-70.31. Committee established.--The Joint Select Committee on Low-Level Radioactive Waste is hereby established as a permanent joint committee of the General Assembly. As used in this Article, the term 'Joint Select Committee' means the Joint Select Committee on Low-Level Radioactive Waste.

" § 120-70.32. Membership; cochairmen; vacancies; quorum.--The Joint Select Committee shall consist of six Senators appointed by the President of the Senate and six Representatives appointed by the Speaker of the House of Representatives who shall serve at the pleasure of their appointing officer. The President of the Senate shall designate one Senator to serve as cochairman and the Speaker of the House of Representatives shall designate one Representative to serve as cochairman. Any vacancy which occurs on the Joint Select Committee shall be filled in the same manner as the original appointment. A quorum of the Joint Select Committee shall consist of seven members.

" § 120-70.33. Powers and duties.--The Joint Select Committee shall have the following powers and duties:

- (1) To study alternatives available to the State for dealing with low-level radioactive waste and the ramifications of each of those alternatives;
- (2) To evaluate actions of the North Carolina Low-Level Radioactive Waste Management Authority, its operator, and other persons with whom the Authority contracts;
- (3) To evaluate actions of the Governor's Waste Management Board, the Radiation Protection Commission, and the Radiation Protection Section of the Department of Human Resources, and of any other board, commission, department, or agency of the State or local government as such actions relate to low-level radioactive waste management;
- (4) To receive, review, and evaluate reports and recommendations submitted to the General Assembly by the

North Carolina Low-Level Radioactive Waste Management Authority and the Inter-Agency Committee on Low-Level Radioactive Waste;

- (5) To review and evaluate changes in federal law and regulations, relevant court decisions, and changes in technology affecting low-level radioactive waste management;
- (6) To review existing and proposed State law and rules affecting low-level radioactive waste management and to determine whether any modification of law or rules is in the public interest;
- (7) To make reports and recommendations, including draft legislation, to the General Assembly from time to time as to any matter relating to the powers and duties set out in this section; and
- (8) To undertake such additional studies as it deems appropriate or as may from time to time be requested by the President of the Senate, the President Pro Tempore of the Senate, the Speaker of the House of Representatives, either house of the General Assembly, the Legislative Research Commission, the Joint Legislative Commission on Governmental Operations, the Environmental Review Commission, or the Joint Legislative Utility Review Committee, and to make such reports and recommendations to the General Assembly regarding such studies as it deems appropriate.

" § 120-70.34. *Additional powers.*--The Joint Select Committee, while in the discharge of official duties, may exercise all the powers provided for under the provisions of G.S. 120-19, and G.S. 120-19.1 through G.S. 120-19.4. The Joint Select Committee may meet at any time upon the call of either cochairman, whether or not the General Assembly is in session. The Joint Select Committee may meet in the Legislative Building or the Legislative Office Building upon the approval of the Legislative Services Commission.

" § 120-70.35. *Compensation and expenses of members.*--Members of the Joint Select Committee shall receive subsistence and travel expenses at the rates set forth in G.S. 120-3.1.

" § 120-70.36. *Staffing.*--The Legislative Administrative Officer shall assign as staff to the Joint Select Committee professional employees of the General Assembly, as approved by the Legislative Services Commission. Clerical staff shall be assigned to the Joint Select Committee through the offices of the Supervisor of Clerks of the Senate and Supervisor of Clerks of the House of Representatives. The expenses of employment of clerical staff shall be borne by the Joint Select Committee.

" § 120-70.37. *Funding.*--From funds available to the General Assembly, the Legislative Services Commission shall allocate monies to fund the Joint Select Committee created by this Part."

Sec. 3.2. The Joint Select Committee on Low-Level Radioactive Waste shall be a continuation of the Joint Select Committee on Low-Level Radioactive Waste authorized by Section 24 of Chapter 850 of the 1987 Session Laws. The initial membership and Cochairmen of the Joint Select Committee on Low-Level Radioactive Waste shall be those persons serving as members and Cochairmen of the original Joint Select Committee on Low-Level Radioactive Waste as previously authorized as of the effective date of this Part. Any unexpended funds previously available for the original Joint Select Committee on Low-Level Radioactive Waste are hereby transferred to the Joint Select Committee on Low-Level Radioactive Waste created by this Part.

PART IV-----ENVIRONMENTAL REVIEW COMMISSION (H.B. 2388-Miller)

Sec. 4.1. Chapter 120 of the General Statutes is amended by adding a new Article to read:

"Article 12D.

"Environmental Review Commission.

" § 120-70.41. *Commission established.*--The Environmental Review Commission is hereby established.

" § 120-70.42. *Membership; cochairmen; vacancies; quorum.*--The Environmental Review Commission shall consist of five Senators appointed by the President of the Senate and five Representatives appointed by the Speaker of the House of Representatives who shall serve at the pleasure of their appointing officer. The President of the Senate shall designate one Senator to serve as cochairman and the Speaker of the House of Representatives shall designate one Representative to serve as cochairman. Any vacancy which occurs on the Environmental Review Commission shall be filled in the same manner as the original appointment. A quorum of the Environmental Review Commission shall consist of six members.

" § 120-70.43. *Powers and duties.*--The Environmental Review Commission shall have the following powers and duties:

- (1) To evaluate actions of all boards, commissions, departments, and other agencies of the State and local governments as such actions relate to the environment or protection of the environment, including but not limited to an evaluation of:
 - a. Benefits of each program relative to costs;
 - b. Achievement of program goals;

- c. Use of measures by which the success or failure of a program can be measured; and
 - d. Conformity with legislative intent;
- (2) To study on a continuing basis the organization of State government as it relates to the environment or to the protection of public health and the environment, including but not limited to:
- a. Improvements in administrative structure, practices, and procedures;
 - b. Increased integration and coordination of programs and functions;
 - c. Increased efficiency in budgeting and use of resources;
 - d. Efficient administration of licensing, permitting, and grant programs;
 - e. Prompt, effective response to environmental emergencies;
 - f. Opportunities for effective citizen participation; and
 - g. Broadening of career opportunities for professional staff;
- (3) To make any recommendations it deems appropriate regarding the reorganization and consolidation of environmental regulatory agencies and the recodification of statutes relating to the environment, including but not limited to:
- a. Ways in which agencies may operate more efficiently and economically;
 - b. Ways in which agencies can provide better services to the State and to the people; and
 - c. Instances in which functions of agencies are duplicative, overlapping, incomplete in scope or coverage, fail to accomplish legislative objectives, or for any other reason should be redefined or redistributed;
- (4) To review and evaluate changes in federal law and regulations, relevant court decisions, and changes in technology affecting the environment or protection of the environment;
- (5) To review existing and proposed State law and rules affecting the environment or protection of the environment and to determine whether any modification of law or rules is in the public interest;
- (6) To make reports and recommendations, including draft legislation, to the General Assembly from time to time as to any matter relating to the powers and duties set out in this section; and
- (7) To undertake such additional studies as it deems appropriate

or as may from time to time be requested by the President of the Senate, the President Pro Tempore of the Senate, the Speaker of the House of Representatives, either house of the General Assembly, the Legislative Research Commission, the Joint Legislative Commission on Governmental Operations, the Joint Legislative Utility Review Committee, or the Joint Select Committee on Low-Level Radioactive Waste and to make such reports and recommendations to the General Assembly regarding such studies as it deems appropriate; provided that the Environmental Review Commission shall not undertake any study which the General Assembly has assigned to another legislative commission or committee.

" § 120-70.44. *Additional powers.*--The Environmental Review Commission, while in the discharge of official duties, may exercise all the powers provided for under the provisions of G.S. 120-19, and G.S. 120-19.1 through G.S. 120-19.4. The Environmental Review Commission may meet at any time upon the call of either cochairman, whether or not the General Assembly is in session. The Environmental Review Commission may meet in the Legislative Building or the Legislative Office Building upon the approval of the Legislative Services Commission.

" § 120-70.45. *Compensation and expenses of members.*--Members of the Environmental Review Commission shall receive subsistence and travel expenses at the rates set forth in G.S. 120-3.1.

" § 120-70.46. *Staffing.*--The Legislative Administrative Officer shall assign as staff to the Environmental Review Commission professional employees of the General Assembly, as approved by the Legislative Services Commission. Clerical staff shall be assigned to the Environmental Review Commission through the offices of the Supervisor of Clerks of the Senate and Supervisor of Clerks of the House of Representatives. The expenses of employment of clerical staff shall be borne by the Environmental Review Commission.

" § 120-70.47. *Funding.*--From funds available to the General Assembly, the Legislative Services Commission shall allocate monies to fund the work of the Environmental Review Commission."

Sec. 4.2. The Environmental Review Commission shall be a continuation of the Consolidation of Environmental Regulatory Agencies Study Commission authorized by Section 150 of Chapter 1014 of the 1985 Session Laws (1986 Regular Session) as modified by Section 9 of Chapter 773 of the 1987 Session Laws. The Consolidation of Environmental Regulatory Agencies Study Commission is abolished and its powers and duties are transferred to the Environmental Review Commission. All records and other

materials in the custody of the Consolidation of Environmental Regulatory Agencies Study Commission shall be transferred to the Environmental Review Commission. The Environmental Review Commission shall continue the study of the reorganization and consolidation of environmental regulatory agencies and the recodification of statutes relating to the environment begun by the Consolidation of Environmental Regulatory Agencies Study Commission and shall report its findings and recommendations on these topics to the 1989 General Assembly.

Sec. 4.3. The initial membership and Cochairmen of the Environmental Review Commission shall be those persons serving as members and Cochairmen of the Consolidation of Environmental Regulatory Agencies Study Commission as previously authorized as of the effective date of this Part. Any unexpended funds available for the Consolidation of Environmental Regulatory Agencies Study Commission are hereby transferred to the Environmental Review Commission.

PART V-----WORKER TRAINING TRUST FUND STUDY COMMISSION (H.B. 1317 - Enloe)

Sec. 5.1. Part XII of Chapter 873 of the 1987 Session Laws is amended by adding the following new sections to read:

"Sec. 12.3. The Worker Training Trust Fund Study Commission shall submit a written report to the 1989 Regular Session of the General Assembly upon its convening. The Commission shall terminate upon filing that report.

"Sec. 12.4. From the funds available to the General Assembly, the Legislative Services Commission shall allocate monies to fund the work of the Worker Training Trust Fund Study Commission."

PART VI-----BIRTH-RELATED NEUROLOGICAL IMPAIRMENT STUDY COMMISSION (H.B. 2415 - Etheridge, S.B. 1646 - Rand)

Sec. 6.1. (a) There is hereby created a North Carolina Birth-Related Neurological Impairment Study Commission. The Commission shall make a study of the need for a Birth-Related Neurological Impairment Act to assist birth-related neurologically impaired victims whose condition was not caused by the negligence of others.

(b) The Commission shall consist of 13 members who shall be appointed as follows:

- (1) Four members appointed by the Speaker of the House of Representatives as follows: two persons who are members

of the House; one physician licensed to practice medicine in North Carolina; and one at-large member representing the general public;

- (2) Four members appointed by the President of the Senate as follows: two persons who are members of the Senate; one physician licensed to practice medicine in North Carolina; and one at-large member representing the general public;
- (3) The Commissioner of Insurance or his designee;
- (4) The Attorney General or his designee;
- (5) The Director of the Division of Health Services of the Department of Human Resources or his designee;
- (6) The President of the North Carolina Hospital Association or his designee; and
- (7) The Executive Director of the Governor's Advocacy Council for Persons with Disabilities or his designee.

If a vacancy occurs in the membership, the appointing authority shall appoint another person to serve the balance of the unexpired term in the same manner in which the original appointment was made.

The Commission shall terminate upon the filing of a report with the General Assembly.

(c) The Commission shall submit a written report and recommendations, including any recommended legislation, to the 1989 General Assembly, prior to March 15, 1989.

(d) The Speaker of the House and the President of the Senate shall each select a cochairman for the Commission. Either Cochairman may preside at any meetings of the Commission.

(e) The Commission shall also have the authority to call witnesses, compel testimony relevant to any matter properly before the Commission, and subpoena records and documents, provided that any patient record shall have patient identifying information removed. The provisions of G.S. 120-19.1 through G.S. 120-19.4 shall apply to the proceedings of the Commission as if it were a joint committee of the General Assembly. In addition to the other signatures required for the issuance of a subpoena under this section, the subpoena shall also be signed by the cochairmen of the Commission.

(f) The Commission shall have all powers necessary or convenient to carry out the purposes and provisions of this Part, including, but not limited to, the power to receive and accept grants of funds from any public or private agency for, or in aid of, the purposes of this section, and to receive and accept contributions, from any source, of money, or labor, to be held, used and applied for the purposes of this Part. Any grants or contributions received shall be held by the Legislative Services Commission and these monies

received shall be used prior to the use of any available State funds. If grants or contributions are received thereafter, they shall be retained by the Legislative Services Commission in an amount equal to State funds already expended.

(g) From the funds available to the General Assembly, the Legislative Services Commission may allocate monies to fund the work of the North Carolina Birth-Related Neurological Impairment Study Commission.

PART VII-----ADOPTIONS AND SURROGATE PARENTHOOD STUDY COMMISSION (S.B. 1583 - Rand)

Sec. 7.1. Section 26.5 of Chapter 873 of the 1987 Session Laws reads as rewritten:

"Sec. 26.5. The Commission's first meeting shall be called by the cochairmen and held on or before October 1, 1987. The Commission shall submit ~~a final report~~ reports of its findings and recommendations to the General Assembly on or before the first day of the 1989 ~~and 1991 Session~~ Sessions of the General Assembly by filing the ~~report~~ reports with the President of the Senate, the Speaker of the House of Representatives, and the Governor. Upon filing its ~~final report to the~~ 1991 Session, the Commission shall terminate."

Sec. 7.2. From the funds available to the General Assembly, the Legislative Services Commission shall allocate monies to fund the work of the Adoptions and Surrogate Parenthood Study Commission. Unexpended funds at the end of the 1987-88 fiscal year shall not revert but shall remain in the budget to fund the Commission until it terminates.

PART VIII-----GENERAL PROVISIONS RELATING TO TEMPORARY STUDY COMMISSIONS AND COMMITTEES

Sec. 8.1. (a) Initial meeting. The initial meeting of a temporary commission or committee created by this Subchapter shall be at the call of the chairperson, in the case of one chairperson, or at the joint call of both the chairpersons, in the case of two chairpersons.

(b) Staffing and consultants. A temporary commission or committee created or continued by this Subchapter does not have the power to contract for professional, clerical, or consultant services. The Legislative Services Commission, through the Legislative Administrative Officer, shall assign professional staff to assist in the work of the commission or committee. The House of Representatives' and the Senate's Supervisor of Clerks shall assign clerical staff to the commission or committee, upon the direction of the Legislative

Services Commission. The expenses relating to clerical employees shall be borne by the commission or committee so requesting.

(c) Members' compensation and subsistence and travel expenses. Except as otherwise specifically provided in this Subchapter, members of a temporary commission or committee created or continued by this Subchapter, shall receive the following compensation and allowances:

- (1) State legislators shall receive subsistence and travel allowances as provided by G.S. 120-3.1;
- (2) State officers and employees shall receive subsistence and travel allowances as provided by G.S. 138-6; and
- (3) All other members shall receive per diem, subsistence, and travel allowances as provided by G.S. 138-5.

(d) Meeting in legislative complex. A temporary commission or committee created or continued by this Subchapter may meet in the State Legislative Building or the Legislative Office Building with the approval of the Legislative Services Commission.

(e) Vacancies in membership. When a vacancy occurs in one of the appointed memberships of a temporary commission or committee created or continued by this Subchapter the vacancy shall be filled by the same appointing officer who made the initial appointment.

(f) Information furnished. All State departments and agencies and local governments and their subdivisions shall furnish a temporary commission or committee created or continued by this Subchapter with any information in their possession or available to them.

PART IX-----GRANTS TO LEGISLATIVE COMMISSIONS AND THEIR EMPLOYEES AND CONSULTANTS

Sec. 9.1. Two new sections are added to Article 7 of Chapter 120 of the General Statutes to read:

" § 120-32.02. *Legislative commissions' and committees' employees and consultants.*--(a) In the construction of a statute creating, continuing, or modifying a commission or committee whose funds are appropriated or transferred to the General Assembly or to the Legislative Services Commission for disbursement, unless that construction would be inconsistent with the manifest intent of the General Assembly or repugnant to the context of the statute, the creation, continuation, or modification of the commission or committee shall not be construed as a grant of authority to the commission or committee to hire its own employees or to contract for consultant or other services.

(b) Notwithstanding any other provision of law, a commission or committee whose funds are appropriated or transferred to the General Assembly or to the Legislative Services Commission for disbursement

and which has the power to contract for consultants or hire employees, or both, may contract for consultants, or hire employees, or both, only upon the prior approval of the Legislative Services Commission. A contract for employment or consultant services by such a commission or committee is void and unenforceable unless approved by the Legislative Services Commission prior to the contract being entered into.

(c) This section shall not apply to contracts of employment or for consultant services for standing or select committees of either house of the General Assembly, or subcommittees thereof, which shall be entered into by either the Speaker of the House or the President Pro Tempore of the Senate, as appropriate, and governed by the provisions of G.S. 120-35.

" § 120-32.03. *Grants and contributions to legislative commissions and committees.*--(a) In the construction of a statute creating, continuing, or modifying a commission or committee whose funds are appropriated or transferred to the General Assembly or to the Legislative Services Commission for disbursement, unless that construction would be inconsistent with the manifest intent of the General Assembly or repugnant to the context of the statute, the creation, continuation, or modification of the commission or committee shall not be construed as a grant of authority to the commission or committee to apply for, receive or accept grants, loans, and advances of non-State funds, or to receive and accept contributions from any source, of money, property, labor, or any other thing of value in order for it to conduct its work.

(b) Notwithstanding any other provision of law, a commission or committee whose funds are appropriated or transferred to the General Assembly or to the Legislative Services Commission for disbursement may, only with specific approval of the Legislative Services Commission, apply for, receive, or accept grants and contributions, from any source, of money, property, labor, or any other thing of value, to be held and used for the purposes set forth in the act creating the commission or committee. Any thing of value remaining at the termination of the commission or committee shall be deposited with the Legislative Services Commission to be employed for the use of the General Assembly."

PART X-----ORIGINAL BILL REFERENCES

Sec. 10.1. The listing of the original bill or resolution in the parts of this Subchapter is for reference purposes only and shall not be deemed to have incorporated by reference any of the provisions contained in the original bill or resolution.

SUBCHAPTER B
BUDGET CHANGES

PART I-----JUSTICE AND PUBLIC SAFETY

Requested by: Representative Watkins and Senator Rand
-----SPECIAL JUDGE TERM OF OFFICE

Sec. 11. Notwithstanding G.S. 7A-45, G.S. 7A-45.1, Section 7 of Chapter 509, Session Laws of 1987, or any other provision of law, if any special superior court judge who is holding office on the effective date of this act will attain five years of membership service under G.S. 135-53(12) in 1990, if this section is enacted, the term of office of that judge is extended through December 31, 1990. The Administrative Office of the Courts may use funds available to the Judicial Department for the 1988-89 fiscal year to implement this section.

Requested by: Senator Plyler
-----INDIGENT PERSONS' ATTORNEY FEE FUND
CORRECTION

Sec. 11.1. G.S. 7A-456(c), as enacted by Section 113(c) of Chapter 1086, Session Laws of 1987, is repealed.

Requested by: Senators Rand and Plyler
-----CURRENT OPERATING EXPENSES

Sec. 12. From the funds specifically appropriated to the Judicial Department in the certified budget for the 1988-89 fiscal year, the Administrative Office of the Courts may transfer within its budget up to one million four hundred fifty-four thousand eight hundred fifty-four dollars (\$1,454,854) to meet additional current operating expenses for supplies and materials, current obligations, fixed charges, other expenses, and books.

-----TRANSFER OF FUNDS FOR WAREHOUSE AND PRINTING
EQUIPMENT

Sec. 13. From the five hundred ninety-three thousand three hundred seventy-five dollars (\$593,375) appropriated to the Judicial Department for the 1988-89 fiscal year under line items 1260-2600, 1260-4400, and 1260-5200 in the certified budget for the current biennium to provide for the automation of general ledger accounting for clerks of superior court, fifty thousand four hundred eighty-eight dollars (\$50,488) is hereby transferred to line item 1130-5100 to provide for the purchase of equipment for the warehouse and printing services purpose of the Administrative Office of the Courts.

-----NEW DEPUTY CLERKS

Sec. 14. The Administrative Office of the Courts may use funds appropriated to the Judicial Department or overrealized receipts of the Judicial Department for the 1988-89 fiscal year to allocate among the counties of the State pursuant to the formula authorized by Section 9 of Chapter 881 of the 1983 Session Laws, 10 new full-time deputy clerks of superior court or a comparable number of part-time and full-time deputies, in addition to any otherwise available for such allocation.

-----LONGEVITY PAY FOR DIRECTOR AND ASSISTANT DIRECTOR OF THE ADMINISTRATIVE OFFICE OF THE COURTS.

Sec. 15. (a) G.S. 7A-341 is amended by inserting at the end of the second sentence the following, "and longevity pay at the rates and for the service designated in G.S. 7A-44(b) for a judge of the superior court".

(b) G.S. 7A-342 is amended by inserting at the end of the second sentence the following, "and longevity pay at the rates and for the service designated in G.S. 7A-144(b) for a judge of the district court".

(c) G.S. 7A-44(b) is amended by inserting at the end of the second sentence the following, "or as director or assistant director of the Administrative Office of the Courts".

(d) G.S. 7A-114(b) is amended by inserting at the end of the second sentence the following, "or as director or assistant director of the Administrative Office of the Courts".

-----CLERKS OF COURT GET LONGEVITY FOR ASSISTANT CLERK SERVICE/CHIEF ADMINISTRATIVE LAW JUDGE/PRINCIPAL CLERKS GET SAME BENEFITS AS LEGISLATIVE EMPLOYEES

Sec. 16. (a) G.S. 7A-101(c), as so designated by Section 14 of Chapter 1086, Session Laws of 1987, reads as rewritten:

"(c) In lieu of merit and other increment raises paid to regular State employees, a clerk of superior court shall receive as longevity pay an amount equal to four and eight-tenths percent (4.8%) of the annual salary set forth in the Budget Appropriation Act payable monthly after five years of service, nine and six-tenths percent (9.6%) after 10 years of service, fourteen and four-tenths percent (14.4%) after 15 years of service, and nineteen and two-tenths percent (19.2%) after 20 years of service. Service shall mean service in the elective position of clerk of superior court, as an assistant clerk of court and as a supervisor of clerks of superior court with the Administrative Office of the Courts and shall not include service as ~~an assistant, deputy, a deputy or~~

acting clerk. Service shall also mean service as a justice or judge of the General Court of Justice or as a district attorney."

(b) Effective August 1, 1988, G.S. 7A-751 is amended by adding at the end:

"In lieu of merit and other increment raises, the Chief Administrative Law Judge shall receive as longevity an annual amount payable monthly at the rates provided in G.S. 7A-65 and based upon his years of State service."

(c) The last sentence of G.S. 120-37(b) is amended by deleting "State employees", and substituting "permanent legislative employees".

-----CLERKS OF COURT POPULATION SALARY CLASSIFICATION

Sec. 17. G.S. 7A-101(a), as amended by Section 14 of Chapter 1086, Session Laws of 1987, reads as rewritten:

"(a) The clerk of superior court is a full-time employee of the State and shall receive an annual salary, payable in equal monthly installments, based on the population of the county, as determined by the population projections of the Office of State Budget and Management for the year preceding the first year of each biennial budget, according to the following schedule:

Population	Annual Salary
Less than 50,000 30,000	\$ 36,288
50,000 30,000 to 99,999	41,748
100,000 to 199,999	47,184
200,000 and above	53,832

When a county changes from one population group to another, the salary of the clerk shall be changed to the salary appropriate for the new population group on July 1 of the first year of each biennial budget, except that the salary of an incumbent clerk shall not be decreased by any change in population group during his continuance in office."

Requested by: Representative Bob Etheridge

-----HARNETT PRISON CHAPEL DONATION

Sec. 17.1. The Department of Correction may accept a donation from the New Life Chapel, Inc., in the sum of thirty-five thousand dollars (\$35,000) to assist with the cost of constructing a chapel at the Harnett Prison Unit.

Requested by: Senators Sands, Basnight, Representative Holt

-----ADD ONE MAGISTRATE FOR STOKES AND TYRRELL COUNTIES

Sec. 17.2. (a) G.S. 7A-133 is amended in the table by increasing the maximum number of magistrates for Stokes County from four to five and by increasing the maximum number of magistrates for Tyrrell County from two to three.

(b) This section shall become effective December 1, 1988.

Requested by: Representative Watkins

-----SBI FACILITY TECHNICAL CORRECTION

Sec. 17.3. Section 117 of Chapter 1086 of the 1987 Session Laws reads as rewritten:

"Sec. 117. The new State Bureau of Investigation Facility shall be located on the Garner Road Campus, and no funds shall be used to locate the ~~laboratory~~ facility at any other location."

-----REIMBURSEMENT OF COSTS FOR FEMALE INMATES IN LOCAL CONFINEMENT FACILITIES

Sec. 17.4. (a) G.S. 148-32.1(a) reads as rewritten:

"(a) The Department of Correction shall pay each local confinement facility a standard sum set by the General Assembly in its appropriation acts at a per day, per inmate rate, for the cost of providing food, clothing, personal items, supervision and necessary ordinary medical services to those ~~male~~ inmates committed to the custody of the local confinement facility to serve sentences of 30 days or more. This reimbursement shall not include any period of detention prior to actual commitment by the sentencing court. The Department shall also pay to the local confinement facility extraordinary medical expenses incurred for the inmates, defined as follows:

- (1) Medical expenses incurred as a result of providing health care to an inmate as an inpatient (hospitalized);
- (2) Other medical expenses when the total cost exceeds thirty-five dollars (\$35.00) per occurrence or illness as a result of providing health care to an inmate as an outpatient (nonhospitalized); and
- (3) Cost of replacement of eyeglasses and dental prosthetic devices if those eyeglasses or devices are broken while the inmate is incarcerated, provided the inmate was using the eyeglasses or devices at the time of his commitment and then only if prior written consent of the Department is obtained by the local facility."

(b) Of funds appropriated to the Department of Correction for the 1988-89 fiscal year to pay per diem costs of inmates committed to

the custody of local confinement facilities, the Department of Correction shall reimburse local confinement facilities as provided by G.S. 148-32.1 for female inmates committed to those facilities.

(c) The Department of Correction shall keep a separate accounting of reimbursements made under G.S. 148-32.1 to local confinement facilities for female inmates for the 1988-89 fiscal year.

(d) The Department of Correction shall report the cost of reimbursing local confinement facilities for female inmates committed to those facilities and shall provide an accounting of those expenses to the 1989 General Assembly and the Fiscal Research Division, no later than April 15, 1989.

PART II-----EDUCATION

Requested by: Representative Bob Etheridge

-----EFFECTIVE TEACHER TRAINING STIPEND CLARIFIED

Sec. 18. (a) Section 207 of Chapter 738 of the 1987 Sessions Laws was enacted for the purpose and intention only of providing a one-time stipend in the amount of two hundred fifty dollars (\$250.00) to teachers who successfully completed the effective teacher training program and who, following completion, remained in the public schools and utilized this training to benefit students. To the extent that any teachers who successfully completed the program during the 1986-87 or 1987-88 school years, who then put their training to use in the public schools, and who subsequently retired with retirement benefits have not received the two hundred fifty dollars (\$250.00) stipend, the State Board of Education, from funds available to it for the 1988-89 fiscal year, shall pay those teachers a stipend in the amount of two hundred fifty dollars (\$250.00).

(b) Teacher aides who in the 1986-87 or 1987-88 school years were required to complete the effective teacher training while they were under contract to be teachers in North Carolina public schools shall be eligible for the stipend as if they had been teachers at the time they successfully completed the training.

(c) Persons employed as teachers and certified as teachers in schools operated by the Department of Correction and the Department of Human Resources who successfully completed the effective teacher training program in the 1986-87 or 1987-88 school year shall be eligible for the stipend for effective teacher training in the same manner as teachers in local school administrative units. Their stipends shall be paid from funds available to the Departments that employed them the year after they took the training or from funds available to the Department of Public Education if a North Carolina local school administrative unit employed them after they took the

training.

(d) Except as expressly authorized in this section, no funds may be used to pay any further stipend.

Requested by: Senator Royall

-----N.C. MEMORIAL HOSPITAL CAPITAL FUNDS

Sec. 19. Budgeted overhead receipts for The University of North Carolina, Academic Affairs, shall be increased by one million dollars (\$1,000,000) and the General Fund appropriation shall be decreased by a like amount. Budgeted overhead receipts for The University of North Carolina, Health Affairs, shall be increased by five hundred thousand dollars (\$500,000) and the General Fund appropriation shall be decreased by a like amount.

The appropriation for the Board of Governors of The University of North Carolina from the General Fund for the 1988-89 fiscal year shall be increased by one million five hundred thousand dollars (\$1,500,000). These funds shall be used for capital improvements in the fire alarm and sprinkler systems at North Carolina Memorial Hospital.

Requested by: Representative Watkins (at the request of Robert Powell of the Office of State Budget and Management)

-----EDUCATION BUILDING/PLAN COMPLETION

Sec. 20. Section 29 of Chapter 795 of the 1987 Session Laws reads as rewritten:

"Sec. 29. Funds in the amount of four hundred thousand three hundred thirty-three dollars (\$400,333) allocated for the Education Building from the 1984-85 Repairs and Renovations Reserve, one million four hundred fifty thousand dollars (\$1,450,000) appropriated by the 1985 General Assembly for the Education Building in 1986, and two million dollars (\$2,000,000) allocated for the Education Building from the 1986-87 Repairs and Renovations Reserve, shall be placed in a Reserve for the Education Building. Of these funds, up to one million five hundred thousand dollars (\$1,500,000) may be used to plan for the construction of this new building. An architect shall be selected within 60 days of the effective date of this act, and construction plans shall be completed within ~~12 months of the effective date of this act.~~ 60 days of August 12, 1988."

Requested by: Representative Blue, Senator Rand

-----PROJECT TEACH FUNDS/MODIFICATION

Sec. 21. Section 97.4 of Chapter 1086 of the 1987 Session Laws reads as rewritten:

"Sec. 97.4. Of the funds appropriated to the Department of Public

Education for the 1988-89 fiscal year, the sum of seventy-three thousand dollars (\$73,000) ~~may~~ shall be used to:

- (1) Maintain the Project Teach Initiative in the Robeson, Pitt, Cumberland, Warren, Halifax, and Northampton County Schools and the Durham and Greensboro City Schools;
- (2) In at least two of those counties, to expand the project to focus on parents of students in the seventh grade so as to involve parents in the coaching and support of promising minority young people; and
- (3) To expand Project Teach into at least two additional local school administrative units.

~~The Department of Public Instruction shall administer the project and may not contract with any public or private entity other than local school administrative units for administration of the project."~~

PART III-----GENERAL GOVERNMENT

Requested by: Senator Rand

-----POLK YOUTH CENTER LAND TRANSFER RESTRICTIONS CLARIFIED

Sec. 22. Section 46 of Chapter 1086, Session Laws of 1987, reads as rewritten:

"Sec. 46. Notwithstanding any other provision of law, the State land which lies beside the North Carolina Museum of Art and behind the Polk Youth Center, and which is bounded by the Raleigh Beltline on the east, Wade Avenue on the south, Blue Ridge Road on the west, and a northern boundary that is the extension of the current State land boundary beginning at the Raleigh Beltline and running generally westward to Blue Ridge Road between the Cross Country Transmission Line and the intersection of Myron Drive and Nancy Ann Drive, may not be used by the North Carolina Museum of Art for any purpose until the Museum's master plan for site development is presented to and specifically and expressly approved by the General Assembly, ~~and by the Office of State Construction, Department of Administration in accordance with existing law."~~

Requested by: Representative Watkins and Senator Plyler

-----MUSEUM OF HISTORY SINGLE PRIME

Sec. 23. Notwithstanding G.S. 143-128, the Department of Administration may use the single prime contract system, and may prequalify bidders, for the Museum of History Project. Provided, however, that all bidders must identify on their bid the electrical, plumbing, and mechanical contractors they have selected. If the contract is to be let under this section, each bidder shall include

minority business subcontractors in an amount not less than ten percent (10%) of the prospective prime contractor's total bid, or shall verify why that bidder was unable to secure qualified minority subcontractors in such an amount.

Requested by: Senator Rand

-----HOWARD TRUST PROPERTY

Sec. 24. Of funds appropriated to the Office of State Budget-State Aid for fiscal year 1988-89, the allocation of one hundred thousand dollars (\$100,000) for the Fayetteville Minority Business League is reduced to fifty thousand dollars (\$50,000). The sum of fifty thousand dollars (\$50,000) is reallocated to the Howard Improvement Association, Inc., for renovation, improvement, and landscaping of the historic Howard Trust property in Cumberland County.

Requested by: Representative Payne, Senator Block

-----NEW HANOVER FUNDS CORRECTION

Sec. 25. (a) Paragraph H2647 of Section 1 of Chapter 1085 of the 1987 Session Laws (Regular Session 1988) is amended by rewriting the third paragraph of Paragraph H2647 to read:

"Three thousand five hundred dollars (\$3,500) to the City Council of Wilmington for Northside Neighborhood Housing Council, Inc., to help support its community programs that assist low and moderate income families in securing housing. The funds shall be held in trust by the City Council until the questions involving the Northside Neighborhood Housing Council are resolved to the City Council's satisfaction. If the matter is not resolved within 90 days after receipt of the funds by the City Council, the funds shall be allocated to Headstart of New Hanover County, Incorporated, to help with the cost of renovations to the building which houses the Headstart Program."

(b) Paragraph S1844 of Section 1 of Chapter 1094 of the 1987 Session Laws (Regular Session 1988) is amended by rewriting the twenty-first paragraph to read:

"One thousand five hundred dollars (\$1,500) to the City Council of Wilmington for Northside Neighborhood Housing Council, Inc., to help support its community programs that help low and moderate income families secure housing. The funds shall be held in trust by the City Council until the questions involving the Northside Neighborhood Housing Council are resolved to the City Council's satisfaction. If the matter is not resolved within 90 days after receipt of the funds by the City Council, the funds shall be allocated to Pine Forest Cemetery Company for restoration and maintenance of Pine Forest Cemetery, a public cemetery of historic significance in Wilmington."

Requested by: Representative Miller

-----SUPERCONDUCTING SUPER COLLIDER REPORTS

Sec. 26. The Secretary of Administration and the Executive Director of the North Carolina Board of Science and Technology shall report on a quarterly basis beginning October 1, 1988, to the Joint Legislative Commission on Governmental Operations, the Joint Select Committee on Low-Level Radioactive Waste, the Environmental Review Commission, the Fiscal Research Division, and the Research Division of the General Assembly as to the use of any funds expended to continue the State's efforts in pursuit of selection as the host state for the Superconducting Super Collider (SSC), whether such expenditures are made from funds appropriated for this purpose or from other sources. Reports shall include, but are not limited to:

- (1) The amount and purpose of all funds expended, funds remaining, and additional funds, if any, which may be needed;
- (2) Progress with respect to limiting encroachments on property used for churches and cemeteries and with respect to minimizing the impact of the SSC project on churches and cemeteries;
- (3) Reorientation or redesign of the SSC to minimize the number of landowners affected by the project;
- (4) Anticipated impact of the SSC project on the environment, including water quality, air quality, and efforts to minimize environmental impact;
- (5) Potential for leasing land required for the SSC project as opposed to acquisition of property by purchase or condemnation; and
- (6) Extent to which owners of land that is acquired for the SSC project by purchase or condemnation could be afforded a right of first refusal with respect to repurchase of such land when such land is no longer needed for the SSC project.

Requested by: Representatives Hunter, Miller, Senator Royall.

-----PUBLIC TELECOMMUNICATIONS FUNDS

Sec. 26.1. Of the funds appropriated for the 1988-89 fiscal year for the SBI facility, the sum of two hundred forty-seven thousand dollars (\$247,000) shall be reallocated to the Agency for Public Telecommunications. These funds shall be used to match a federal grant for a satellite up link. These funds shall be replaced when funds are available.

Requested by: Senator Thomas

-----FLAT ROCK PLAYHOUSE FUNDS

Sec. 27. Of the funds appropriated for the 1988-89 fiscal year for Folkmoot, USA, the sum of eighteen thousand seven hundred fifty dollars (\$18,750) shall be reallocated to the Office of State Budget-State Aid for The Vagabond School of Drama, Inc., to be used for the State Theater of North Carolina in Flat Rock for capital improvements to the theater and to assist with the production costs of presentations at the theater.

Requested by: Representative Watkins, Senator Plyler

-----TREASURER INVESTMENT MANAGEMENT FUNDS

Sec. 28. The Department of State Treasurer may use investment income funds of one hundred forty-four thousand seven hundred two dollars (\$144,702) to support an additional portfolio manager with forty-four thousand seven hundred two dollars (\$44,702) and increased data processing with one hundred thousand dollars (\$100,000) as required due to increased needs related to investment management.

Receipts of the Escheat Program may be increased by one hundred forty-two thousand thirty-three dollars (\$142,033) to support a governmental accounts auditor and an accounting clerk with sixty-seven thousand thirty-three dollars (\$67,033) and additional data processing needs with seventy-five thousand dollars (\$75,000) as required to maintain compliance with the Escheat Law.

Requested by: Representative Watkins, Senator Plyler

-----REALLOCATION OF FUNDS

Sec. 29. (a) Of the funds appropriated for the SBI facility for the 1988-89 fiscal year, the sum of two million six hundred four thousand one hundred ten dollars (\$2,604,110) shall be reallocated as follows:

- (1) Department of Natural Resources and
Community Development-Community Action
Agencies \$85,000
- (2) Administrative Rules Review Commission-
For operating costs 234,110
- (3) Office of State Budget and Management-
State Aid

(Requested by: Representative Hightower)

- a. Anson County-For Anson County Farmers
Market 150,000

CHAPTER 1100

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- (Requested by: Representative Murphy, Senator Hardison)
b. Duplin Outdoor Drama Society, Inc. -
Grant for Operations of the Outdoor
Drama, "Liberty Cart" 35,000
- (Requested by: Representatives Nesbitt, Greenwood, Colton, and N.J.
Crawford)
c. Brevard Music Center-Paving of parking
lot 78,000
- (Requested by: Representatives Nesbitt, Greenwood, Colton, and N.J.
Crawford and Senators Higgs and Thomas)
d. Transylvania Youth Activities Building -
Grant to Transylvania County (match of two non-
State dollars required for each State dollar) 32,000
- (Requested by: Representative Brannan)
e. Johnston County-Grant for the Johnston County
Airport Authority for the construction of an
aircraft mechanic service and training building
at the Johnston County Airport 60,000
- (Requested by: Representatives Beall and Ramsey)
f. Webster Enterprises, Inc. (Jackson County)-
Grant to provide matching funds for development
of a vocational rehabilitation facility to serve
the physically and mentally handicapped
individuals in the far western counties (to be
matched with previously raised non-State
funds, additional non-State funds, and/or real
property) 250,000
- (Requested by: Representative Bob Etheridge, Senator Plyler)
g. North Carolina Family Community Leadership
Institute-To provide funds to match a Kellogg
Foundation Grant for continuance of a program
designed to train and teach volunteer leaders
how to become involved in public policy 50,000
- (Requested by: Representative Holt)
h. City of Mebane-Grant-in-Aid for the Mebane
Art Center 35,000

(Requested by: Representative Redwine)
 i. Old Baldy Foundation, Incorporated-Grant for research, surveys, and architectural preservation of the Old Baldy Lighthouse 25,000

(Requested by: Senator Warren)
 j. The Johnston County Board of Education-Grant to provide mobile classroom units for students displaced by a fire that destroyed Four Oaks School in Johnston County. Notwithstanding any other provision of law, the Johnston County Board of Education may negotiate for the purchase of mobile classroom units to meet this emergency situation. When the Johnston County Board of Education no longer needs these mobile classroom units, Johnston County shall transfer title to the units to the State of North Carolina. The State Board of Education shall assign these mobile classroom units to other schools as it deems appropriate. 300,000

(4) Department of Community Colleges

(Requested by: Senator Warren, Representative Nye)
 a. Sampson Community College-Renovations 100,000

(Requested by: Senator Thomas)
 b. Blue Ridge Community College-To plan and develop a Vocational Skills Trade Center 75,000

(Requested by: Representative Chapin, Senator Basnight)
 (5) East Carolina University-For the Regional Development Institute to conduct a feasibility study for the purchase and physical restoration of Mattamuskeet Lodge to develop an adaptive renovation plan of the facility and to assess the economic impact on the region that securing Mattamuskeet Lodge as a regional office would have as it would also be available for use as a campus extension, an aquaculture center, and a conference center 50,000

(6) Department of Correction

(Requested by: Senator Parnell, Representative Barnes)

1. Probation and Parole Officers

- a. Reserve for the support of 16 probation officers, two unit supervisors, and two stenographers 262,000
- b. Reserve for the support of seven parole officers, one unit supervisor, and one stenographer 120,000
- c. Expansion of electronic surveillance house arrest project in Forsyth County and to implement a similar program in Wake County 253,000
- d. No person may be employed in any position authorized by subparts a. and b. above prior to February 1, 1989. The funds set out in subsections a., b., and c. above shall not become a part of the continuation budget.

(Requested by: Representative Dawkins)

- 2. Rockingham Prison Unit-Chapel Construction 60,000

(7) Department of Cultural Resources

(Requested by: Senator Seymour)

- a. Shakespeare Festival-Funds to tour metropolitan and rural communities throughout the State to present a major Shakespearean production, to tour high schools throughout the State to present Shakespearean productions, and to assist with production and marketing expenses. These funds shall be allocated by the Department to the North Carolina Shakespeare Festival as soon as possible after the effective date of this act. 75,000

(Requested by: Senators Goldston and Sands)

- b. Living History Farm-To provide a grant for the initial development of the Hauser Farm "Horne Creek Living History Farm" 25,000

(8) General Assembly

a. Legislative Services Commission-Funds to support various independent studies 250,000

(b) Section 43 of Chapter 1086 of the 1987 Session Laws is repealed.

(c) Section 97.1 of Chapter 1086 of the 1987 Session Laws is repealed.

Requested by: Representative Watkins, Senator Plyler

-----WATER AND SEWER GRANT ALLOCATIONS

Sec. 30. From funds appropriated to the Office of State Budget and Management, Sewer and Water Loans and Grants, for the 1988-89 fiscal year the following grant allocations shall be made:

(Requested by: Representatives Beall, Ramsey)

a. Town of Hot Springs-Funds to be used to help defray the cost of a new one million gallon water tank and improvements \$ 75,000

(Requested by: Representative Bruce Ethridge)

b. Town of Swansboro 100,000

(Requested by: Representative Lutz)

c. Upper Cleveland Sanitary District 100,000

(Requested by: Representative Lutz)

d. Piedmont Metropolitan Water District-Planning 25,000

(Requested by: Senators Plyler and Conder, Representative Hightower)

e. Town of Wadesboro-Water system improvements 200,000

(Requested by: Senator Hardison, Representatives Murphy, Lilley, Anderson, and Perdue)

f. Lenoir County-Additional funds for economic development and to make Lenoir County's total allocation \$3,500,000 1,600,000

(Requested by: Senators Thomas and Royall)

g. Transylvania County-For industrial development

in the Rosman Industrial Area on U.S. 64 West in
Rosman

250,000

(Requested by: Senators Plyler and Royall, Representatives Watkins and Bob Etheridge)

-----REPORTS ON GRANTS TO NON-STATE AGENCIES

Sec. 30.1. Any non-State agency receiving an appropriation of fifty thousand dollars (\$50,000) or more made directly by the General Assembly in an act ratified during 1988 shall report the amounts expended and details of the use of the expenditures. Such reports shall be made to the Joint Legislative Commission on Governmental Operations with a copy to the State Controller. Such reports shall be made no later than the 10th day of November, February, May, and August and each report shall cover the previous calendar quarter. The first report shall be made no later than November 10, 1988. Reports required by this section shall continue until all funds are expended or repaid to the State.

PART IV-----NATURAL AND ECONOMIC RESOURCES

Requested by: Senator Hipps

-----PISGAH FISH HATCHERY BLDG.

Sec. 31. The Wildlife Resources Commission may use funds available to it for the 1988-89 fiscal year for the construction of a laboratory complex at Pisgah Forest Fish Hatchery. The cost of the construction shall not exceed one hundred fifty-six thousand dollars (\$156,000). The Wildlife Resources Commission shall report to the Joint Legislative Commission on Governmental Operations on its plans before spending any funds on this project.

Requested by: Senator Rand

-----CLEAN WATER GRANT EXPLANATION

Sec. 32. Any allocations made directly by the General Assembly as sewer and/or water grants under Chapter 1086 of the 1987 Session Laws as outlined in the conferees report for House Bill 2641 or under this act are made notwithstanding Chapter 159G of the General Statutes.

Requested by: Senators Basnight, Barnes

-----BUXTON WOODS TECHNICAL CORRECTION

Sec. 33. Section 161.4 of Chapter 1086, Session Laws of 1987, reads as rewritten:

"Sec. 161.4. Of the funds allocated in Section 7 32 of Chapter 795 of the 1987 Session Laws for State Parks, three hundred thousand

dollars (\$300,000) shall be used for the purchase of land at Buxton Woods in Dare County to protect the natural area."

Requested by: Representative Watkins

-----N.E. FARMERS MARKET FUNDS

Sec. 34. (a) Section 137(a)(3) of Chapter 738 of the 1987 Session Laws, as rewritten by Section 154 of Chapter 1086 of the 1987 Session Laws, is amended by deleting "and".

(b) Section 137(a)(4) of Chapter 738 of the 1987 Session Laws, as rewritten by Section 154 of Chapter 1086 of the 1987 Session Laws, is amended by deleting "." and substituting ";".

(c) Section 137(a) of Chapter 738 of the 1987 Session Laws, as rewritten by Section 154 of Chapter 1086 of the 1987 Session Laws, is amended by adding three subdivisions to read:

"(5) Seven hundred thousand dollars (\$700,000) to the Rocky Mount Business Development Authority for the agricultural complex located at Fountain Park in Rocky Mount to match the three million three hundred thousand dollars (\$3,300,000) in local funds already committed to this project;

(6) Seventy-five thousand dollars (\$75,000) to Franklin County for senior citizens; and

(7) Seventy-five thousand dollars (\$75,000) to Halifax County for the Halifax County Mental Health Center for a new building in Halifax County to help the adult mentally retarded to be productive citizens."

Requested by: Rep. Bruce Ethridge

-----COMMUNITY ACTION PROGRAM FUNDS

Sec. 35. (a) For the 1988-89 fiscal year, all agencies, as provided in G.S. 113-28.24, that receive Community Service Block Grant funds may use those funds for the administration of agency programs. The amount of those funds used for administration of agency programs shall be limited to ten percent (10%) of the total annual budget of the agency, as certified in the prior year's audit of the agency.

The Department of Natural Resources and Community Development shall report to the 1989 General Assembly by February 15, 1989, and quarterly thereafter to the Joint Legislative Commission on Governmental Operations on the use of Community Service Block Grant Funds for administration of agency programs. The report shall show the total budget for each community action agency or limited purpose agency by program funding source and the amount of funds for administration funds provided by each program. The report shall also show the criteria for determining the amount of funds used for

administrative expenses and the number of persons served by each program.

(b) Chapter 830 of the 1987 Session Laws is amended by repealing Section 104.

(c) Of the funds allocated by this act for use by community action agencies, the Department of Natural Resources and Community Development may use up to thirty-three thousand dollars (\$33,000) for additional personnel to administer and monitor federal and State grants to these agencies. Prior to the expenditure of these funds, the Department shall report to the Joint Legislative Commission on Governmental Operations on the proposed use of these funds.

Requested by: Representative Enloe, Senator Parnell

-----FOCUSED INDUSTRIAL TRAINING PROGRAM

Sec. 36. (a) Notwithstanding G.S. 96-5(f), there is appropriated from the Worker Training Trust Fund to the Department of Community Colleges the sum of five hundred thousand dollars (\$500,000) for the 1988-89 fiscal year to expand the Focused Industrial Training program administered by the Department of Community Colleges. These funds are a one-time appropriation for the 1988-89 fiscal year only and may not become part of the continuation budget.

(b) Of the funds appropriated to the Department of Community Colleges for the 1988-89 fiscal year for New Industry Training, the State Board of Community Colleges may use up to five hundred thousand dollars (\$500,000) to expand the Focused Industrial Training program administered by the Department of Community Colleges. These funds may be used only after the funds appropriated by subsection (a) of this section have been exhausted.

(c) The funds made available by this section shall be allocated as follows:

- (1) Up to six hundred eighty thousand dollars (\$680,000) to create up to nine additional Focused Industrial Training centers located at community colleges;
- (2) Up to one hundred ninety thousand dollars (\$190,000) for the existing 19 centers, to be divided equally among the 19 centers; and
- (3) Up to one hundred thirty thousand dollars (\$130,000) for development, delivery, and support of training programs as authorized by the Department of Community Colleges and for statewide administrative support.

(d) The Department of Community Colleges shall submit a written evaluation of the Focused Industrial Training program to the Joint Legislative Commission on Governmental Operations by May 1,

1989. The evaluation shall include an analysis of the effectiveness of each training center in meeting the needs of the area industries and recommended actions to improve delivery of services and training opportunities for the client population.

Requested by: Representative Watkins

-----LIMITATION ON USE OF WATER AND SEWER GRANT FUNDS

Sec. 37. (a) Section 161.3 of Chapter 1086 of the 1987 Session Laws reads as rewritten:

"Sec. 161.3. Funds allocated to local governments by the General Assembly from the funds appropriated for the 1988-89 fiscal year to the Office of State Budget and Management for Sewer and Water Grants shall be subject to the following limitations:

- (1) These funds shall be spent for a public purpose;
- (2) Any real or personal property purchased with the funds shall remain the property of the local government: provided, however, the local government may grant utility easements; and
- (3) These funds may not supplant local funds that have been or will be used for real or personal property purchased for or given to a private, for profit corporation;
- (4) If the local government has given real property to an industry before receiving funds allocated to it, the amount of the allocation shall be reduced by an amount equal to the cost of the real property to the local government; and
- (5) If a local government gives real property to an industry after receiving funds allocated to it, the local government shall repay to the State an amount equal to the cost of the real property to the local government, up to the amount of the allocation."

(b) The limitations set out in Section 161.3 of Chapter 1086 of the 1987 Session Laws, as amended by subsection (a) of this section, do not apply if the Attorney General finds that, absent such limitations, the use of the funds would be lawful.

PART V-----EMPLOYEES

Requested by: Senator Rand. Representative Watkins

-----REIMBURSEMENT OF STATE EMPLOYEE LUNCHES

Sec. 38. (a) G.S. 138-6(a)(3) reads as rewritten:

"(3) For expenses incurred for subsistence, payment of fifty-two dollars (\$52.00) per day when traveling in-state or sixty-four dollars (\$64.00) per day when traveling out-of-state. When travel involves less

than a full day (24-hour period), a reasonable prorated amount shall be paid in accordance with regulations and criteria which shall be promulgated and published by the Director of the Budget. Reimbursement to State employees for lunches eaten while on official business may be made only in the following circumstances:

a. When an overnight stay is required reimbursement is allowed while an employee is in travel status;

b. When the cost of the lunch is included as part of a registration fee for a formal congress, conference, assembly, or convocation, by whatever name called. Such assembly must involve the active participation of persons other than the employees of a single State department, institution, or agency and must be necessary for conducting official State business; or

c. When the State employee is a member of a State board, commission, committee, or council which operates from funds deposited with the State Treasurer, or when the State employee's job requires his attendance at the meeting of such board, commission, committee, or council in his official capacity, and the lunch is preplanned as part of the meeting for the entire board, commission, committee, or council; or

d. When the lunch is included as an integral part of a congress, conference, assembly, or convocation, by whatever name called. Such assembly must involve the active participation of persons other than the employees of a single State department, institution, or agency; the employee's attendance must be necessary for the performance of his duties but must not be part of that employee's normal day-to-day business activities; and the assembly must be planned in advance with a formal agenda, and include a written notice or invitation to participants."

(b) This section is effective from September 1, 1988 through June 30, 1990.

Requested by: Representative Bob Etheridge.

-----UNIVERSITY EMPLOYEES OPTIONAL RETIREMENT PROGRAM/MODIFICATION

Sec. 38.1. (a) If the benefit accrual rate in The Teachers' and State Employees' Retirement System is increased by the 1988 Regular Session of the 1987 General Assembly to one and fifty-nine hundredths percent (1.59%), then Section 21(b) (3) of Chapter 1086 of the 1987 Session Laws is rewritten to read: "(3) seven and sixty-seven hundredths percent (7.67%) - University Employees' Optional Retirement Program;".

(b) If the benefit accrual rate in The Teachers' and State Employees' Retirement System is increased by the 1988 Regular

Session of the 1987 General Assembly to one and sixty hundredths percent (1.60%), then Section 21(b) (3) of Chapter 1086 of the 1987 Session Laws is rewritten to read: "(3) seven and seventy-two hundredths percent (7.72%) - University Employees' Optional Retirement Program;".

PART VI-----DEPARTMENT OF HUMAN RESOURCES

Requested by: Senators Walker, Plyler
 -----NON-MEDICAID REIMBURSEMENT

Sec. 39. Section 90 of Chapter 738 of the 1987 Session Laws reads as rewritten:

"Sec. 90. Providers of medical services under the various State programs other than Medicaid offering medical care to citizens of the State shall be reimbursed at rates no more than those under the North Carolina Medical Assistance Program. The Department of Human Resources may reimburse hospitals at the full prospective per diem rates without regard to the Medical Assistance Program's annual limits on hospital days. When the Medical Assistance Program's per diem rates for inpatient services and its interim rates for outpatient services are used to reimburse providers in non-Medicaid medical service programs, retroactive adjustments to claims already paid shall not be required.

Maximum net family annual income eligibility standards for services in these programs with the exception of Migrant Health, School Health, and Home Health shall be as follows:

Family Size	Kidney	Medical Eye Care		All Other
		Adults	Rehabilitation	
1	6,400	3,600 4,860	5,053 8,364	4,200
2	8,000	4,400 5,940	6,608 10,944	5,300
3	9,600	4,600 6,204	8,161 13,500	6,400
4	11,000	5,400 7,284	9,718 16,092	7,500
5	12,000	5,800 7,824	11,276 18,648	7,900
6	12,800	6,100 8,220	12,828 21,228	8,300
7	13,600	6,500 8,772	13,116 21,708	8,800
8	14,400	6,900 9,312	13,411 22,220	9,300

~~These standards shall be in effect until change is approved by the Director of the Budget with the advice of the Advisory Budget Commission, or by the General Assembly.~~

Effective October 1, 1987, Children's Special Health Services shall increase their eligibility level to one hundred percent (100%) of the federal poverty level for outpatient services for all clients, and for inpatient services for children under the age of five."

Requested by: Representative Hunter, Senator Walker

-----CERTIFIED NURSE MIDWIFE SERVICES

Sec. 39.1. Section 67(a) of Chapter 738 of the 1987 Session Laws is amended by adding a new subdivision to the end to read:

"(22) *Nurse Midwife Services* - Reimbursement in accordance with physician fee schedule for those services nurse midwives are permitted to perform as specified in State law."

Requested by: Representative Bob Etheridge

-----NCMH DIRECTORS LIABILITY CORRECTION

Sec. 39.2. G.S. 131E-48, as enacted by Chapter 1057, Session Laws of 1987, reads as rewritten:

"§ 131E-48. *Limited liability*--(a) A person serving as a director, trustee, or officer of a public hospital as defined in G.S. 159-39, or as a commissioner, member, or officer of a hospital authority established under Part A or B of this Article, or as a director, trustee, or officer of North Carolina Memorial Hospital, shall be immune individually from civil liability for monetary damages, except to the extent covered by insurance, for any act or failure to act arising out of this service, except where the person:

- (1) Is compensated for his services beyond reimbursement for expenses,
- (2) Was not acting within the scope of his official duties,
- (3) Was not acting in good faith,
- (4) Committed gross negligence or willful or wanton misconduct that resulted in the damage or injury,
- (5) Derived an improper personal financial benefit from the transaction,
- (6) Incurred the liability from the operation of a motor vehicle, or
- (7) Is defendant in an action brought under G.S. 55A-28.1 or 55A-28.2.

(b) The immunity in subsection (a) is personal to the directors, trustees, officers, commissioners, and members, and does not immunize the hospital or hospital authority for liability for the acts or omissions of the directors, trustees, or officers."

Requested by: Representative Hunter, Senators Walker, Plyler

-----RURAL OBSTETRICAL CARE INCENTIVE

Sec. 39.3. (a) From the funds appropriated from the General Fund to the Department of Human Resources in Section 3 of Chapter 1086, Session Laws of 1987, there is established a reserve of two hundred forty thousand dollars (\$240,000) for the 1988-89 fiscal year to fund a new pilot program to compensate family physicians and

obstetricians who agree to provide prenatal and obstetrical services in counties that are underserved with regard to these services. The Commission for Health Services shall adopt rules determining the counties that are underserved with respect to obstetrical care that are to be part of the program, the scope of the obstetrical services that are to be provided by a physician for that physician to be eligible to receive assistance under the program, and the amount and nature of the assistance to be provided to eligible physicians. Specific rules issued by the Commission for Health Services governing this new program shall include:

- (1) A physician who provides obstetrical care in a county that is designated as being underserved for prenatal and obstetrical care by the Commission for Health Services will be compensated for either the difference between his premiums with obstetrical care coverage and his premiums without obstetrical care coverage, or six thousand five hundred dollars (\$6,500), whichever is less;
 - (2) Physicians providing obstetrical care through an arrangement with their local health department shall have the option of providing the care at their offices or at the facilities of the health department obstetrical clinic;
 - (3) No physician shall be required to assume management of the care of any obstetrical patient if the level of care required for that patient is beyond the professional competence of that physician;
 - (4) Physicians eligible for payment under this program shall be licensed to practice medicine in this State;
 - (5) Participating physicians shall provide complete obstetrical care for covered patients including prenatal care and delivery; provided, however, physicians in a county without a facility for obstetrical delivery are still eligible if they provide only prenatal care;
 - (6) The liability insurance rates for obstetrical care to be used to determine compensation under this program shall be based on obstetrical premiums of \$1,000,000/\$1,000,000 coverage at a mature rate; and
 - (7) Any physician compensated under this program shall not refuse to provide obstetrical care for any patient based on the patient's economic status or ability to pay.
- (b) The Division of Health Services shall establish the pilot program provided by subsection (a) of this section. The Division of Health Services shall report, by April 1, 1989, to the chairmen of the House and Senate Appropriations Committees and to the Chairmen of the Appropriations Subcommittees on Human Resources on the

progress in implementing and operating the pilot program mandated by this section.

Requested by: Senators Royall, Walker, and Seymour

-----VISUALLY IMPAIRED CHILDREN'S FUNDS

Sec. 40. Of the funds appropriated in Section 2 of Chapter 1086 of the 1987 Session Laws to The University of North Carolina at Chapel Hill, for academic affairs, for the 1988-89 fiscal year, the General Fund appropriation shall be reduced by one hundred thousand dollars (\$100,000) which shall instead be appropriated to the Department of Human Resources, Division of Schools for the Deaf and Blind to establish a pilot program, in conjunction with the Department of Child Development at The University of North Carolina at Greensboro, that will serve visually impaired preschool children from birth to five years of age. The pilot program shall provide teachers and teachers aides as well as physical therapy, speech therapy, and other services needed to meet the unique needs of visually impaired preschool children in a setting that assures continuity of all services provided. The Department of Human Resources shall report to the Joint Legislative Commission on Governmental Operations by December 31, 1988, on the progress made in implementing this activity.

The one hundred thousand dollars (\$100,000) reduction from academic affairs at The University of North Carolina at Chapel Hill shall be made up with an increase of one hundred thousand dollars (\$100,000) in the anticipated overhead receipts for academic affairs.

Requested by: Representatives Nye, Diamont

-----SURRY-YADKIN PSYCHIATRIC INPATIENT FUNDS/CAPITAL

Sec. 40.1. Of the funds appropriated in Chapter 1086, Session Laws of 1987, to the Department of Human Resources, Division of Mental Health, Mental Retardation, and Substance Abuse Services, the sum of fifty thousand dollars (\$50,000) for fiscal year 1988-89 shall be used by the Surry-Yadkin Area Mental Health, Mental Retardation, and Substance Abuse Authority for psychiatric inpatient services at Northern Hospital of Surry County.

Requested by: Senators Goldston, Sands, Representatives Holt, Nye
-----COMMUNITY WORK EXPERIENCE PROGRAM CORRECTION

Sec. 40.2. Section 139 of Chapter 1086 of the 1987 Session Laws reads as rewritten:

"Sec. 139. Of funds available for fiscal year 1988-89 to the

Department of Human Resources, Division of Social Services, the sum of one hundred fifty-four thousand dollars (\$154,000) shall be used to implement the community work experience program in Anson, Burke, Duplin, Madison, Martin, ~~Pamlico, and Rockingham~~ and Pamlico Counties."

Requested by: Representative Watkins and Senator Plyler

-----DELETE REPEATED AGING PROVISION

Sec. 40.3. (a) Sections 2 and 4 (a) and (c) of Chapter 1095, Session Laws of 1987, duplicate Sections 148.12 and 148.13 (a) and (c) of Chapter 1086, Session Laws of 1987.

(b) Section 2 of Chapter 1095, Session Laws of 1987, and Section 148.13 of Chapter 1086, Session Laws of 1987, are repealed.

(c) Any mention in Section 10 of Chapter 1095, Session Laws of 1987 of Section 2 of that act shall be construed to be mention of Section 148.12 of Chapter 1086, Session Laws of 1987.

(Requested by: Representative Locks)

-----SICKLE CELL FUNDS

Sec. 40.4. Of the funds appropriated in Section 1(c) of Chapter 1097, Session Laws of 1987, to the Rural Economic Development Center, Inc., the sum of two hundred thousand dollars (\$200,000) shall be reallocated to the Department of Human Resources, Division of Health Services for expansion of the Sickle Cell Program, and the sum of fifty thousand dollars (\$50,000) shall be reallocated to the North Carolina Civic Education Project for non-partisan voter profiles.

Requested by: Representative Miller

-----TECHNICAL CORRECTION

Sec. 40.5. G.S. 104E-6.2(d)(1), as rewritten by Section 24 of Chapter 993 and Section 10 of Chapter 1082 of the 1987 Session Laws (1988 Regular Session), is amended by deleting the word "There" and substituting the words "That there".

-----HAZARDOUS WASTE FEES

Sec. 40.6. Section 7 of Chapter 1020 of the 1987 Session Laws (1988 Regular Session) reads as rewritten:

"Sec. 7. This act shall become effective 1 July 1988, except that Section 4 shall become effective 30 June 1988 and shall apply to fees collected but not expended during the 1987-88 fiscal year."

Requested by: Representative Blue

-----MURPHEY SCHOOL FUNDS

Sec. 40.7. (a) The State of North Carolina shall, on or before December 31, 1988, lease to the City of Raleigh for a term of 40

years the old Murphey School property in the City of Raleigh. Consideration for the lease shall be one thousand dollars (\$1,000) to be paid by the City of Raleigh into the General Fund before June 30, 1989.

(b) Of the funds appropriated to the Department of Administration for fiscal year 1988-89, the sum of one thousand dollars (\$1,000) shall be allocated to handle legal and surveying expenses necessitated by this act.

PART XI-----MISCELLANEOUS PROVISIONS

-----EXECUTIVE BUDGET ACT APPLIES

Sec. 41. The provisions of the Executive Budget Act, Chapter 143, Article 1, of the General Statutes, are reenacted and shall remain in full force and effect and are incorporated in this act by reference.

-----MOST TEXT APPLIES ONLY TO 1988-89

Sec. 43. Except for statutory changes or other provisions that clearly indicate an intention to have effects beyond the 1988-89 fiscal year, the textual provisions of this act apply only to funds appropriated for, and activities occurring during, the 1988-89 fiscal year.

-----1987-88 APPROPRIATIONS LIMITATIONS AND DIRECTIONS APPLY

Sec. 44. Except where expressly repealed or amended by this act, the provisions of Chapters 738, 795, 830, 876, 886, 1036, and 1086 of the 1987 Session Laws as amended remain in effect.

Sec. 45. Notwithstanding any modifications by this act in the amounts appropriated, except where expressly repealed or amended, the limitations and directions for the 1987-89 fiscal biennium in Chapters 738, 795, 830, 876, 886, 1036, and 1086 of the 1987 Session Laws that applied to appropriations to particular agencies or for particular purposes apply to the newly enacted appropriations of this act for those same particular purposes.

Sec. 46. Notwithstanding G.S. 120-20.1, the provisions of Sections 2 and 3 of Chapter 1086, Session Laws of 1987 shall be construed using the underlined figures to reflect the new law, although the struck through figures do not reflect the amendments made by Sections 2 and 3 of Chapter 886, Session Laws of 1987.

-----EFFECT OF HEADINGS

Sec. 47. The headings to the parts and sections of Subchapter B of this act are a convenience to the reader and are for reference only.

The headings do not expand, limit, or define the text of this act.

-----SEVERABILITY CLAUSE

Sec. 48. If any section or provision of this act is declared unconstitutional or invalid by the courts, it does not affect the validity of this act as a whole or any part other than the part so declared to be unconstitutional or invalid.

-----EFFECTIVE DATE

Sec. 49. Except as otherwise provided, this act shall become effective July 1, 1988.

In the General Assembly read three times and ratified this the 12th day of July, 1988.

H.B. 781

CHAPTER 1101

AN ACT TO MAKE FURTHER APPROPRIATIONS FOR THE 1988-89 FISCAL YEAR.

The General Assembly of North Carolina enacts:

Section 1. The appropriations made in this act are for maximum amounts necessary to provide the services and accomplish the purposes described in the budget. Savings shall be effected where the total amounts appropriated are not required to perform these services and accomplish these purposes and, except as allowed by the Executive Budget Act, or this act, the savings shall revert to the appropriate fund at the end of each fiscal year.

PART I-----CURRENT OPERATIONS/HIGHWAY FUND

Sec. 2. Section 3 of Chapter 738 of the 1987 Session Laws reads as rewritten:

"Sec. 3. Appropriations from the Highway Fund of the State for the maintenance and operation of the Department of Transportation, and for other purposes as enumerated, are made for the biennium ending June 30, 1989, according to the following schedule:

<u>Current Operations - Highway Fund</u>	<u>1987-88</u>	<u>1988-89</u>
Department of Transportation		
01. Administration	\$ 22,613,994	\$ 22,658,495 <u>25,049,244</u>

02. Highways

a. Administration and Operations	29,221,555	29,032,534 <u>29,330,021</u>
b. State Construction		
(01) Primary Construction	-	-
(02) Secondary Construction	62,851,923	65,773,077 <u>66,656,370</u>
(03) Urban Construction	20,000,000	20,000,000
(04) Access and Public Service Roads	2,000,000	2,000,000
(05) Special Appropriation for Highways	60,000,000	60,000,000
(06) Spot Safety Improvements	6,200,000	6,200,000
c. State Funds to Match Federal Highway Aid		
(01) Construction	66,128,400	66,395,000
(02) Planning Survey and Highway Planning Research	1,696,000	1,705,000 <u>1,142,300</u>
d. State Maintenance		
(01) Primary	72,746,958	72,661,450
(02) Secondary	129,600,000	129,600,000
(03) Urban	20,246,958	20,161,449

(04) Contract Resurfacing	100,912,425	92,567,150 <u>100,567,150</u>
e. Ferry Operations	12,562,458	12,562,458
03. Division of Motor Vehicles	62,936,065	61,888,170 <u>63,032,516</u>
04. Governor's Highway Safety Program	256,902	257,375
05. Reserve for Salary Increments	2,438,664	2,438,664
06. Reserve for Hospital-Medical Benefits	4,800,000	6,500,000
07. Salary Adjustments for Highway Fund Employees	220,000	220,000 <u>670,000</u>
08. Reserve to Correct Occupational Safety and Health Conditions	350,000	350,000
09. Debt Service	37,955,215	37,295,105
10. Reserve for Salary Increases	13,400,000	13,400,000 <u>26,600,000</u>

Appropriations for Other State Agencies

01. Crime Control and Public Safety	71,862,969	74,113,646
<u>(a) Drug Detection Dogs (6)</u>	<u>-</u>	<u>85,236</u>
<u>(b) Bar Lights - Highway Patrol</u>	<u>-</u>	<u>420,000</u>
02. Other Agencies		
a. Department of Agriculture	2,185,748	2,188,706
b. Department of Revenue	1,392,457	1,397,608

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c. Department of Human Resources	306,585	306,972
d. Department of Correction	1,750,000	1,750,000
e. <u>Department of Natural Resources and Community Development</u>		
<u>(1) Stallings Airfield</u>		<u>312,000</u>
Contingency and Emergency Fund	100,000	100,000
GRAND TOTAL CURRENT OPERATIONS--		
HIGHWAY FUND	\$ 806,735,276	\$ 803,522,859 <u>830,143,270</u>
PART II-----STATE AID/HIGHWAY FUND		

Sec. 3. Section 3 of Chapter 830 of the 1987 Session Laws reads as rewritten:

"Sec. 3. Appropriations from the Highway Fund of the State for the maintenance and operation of the Department of Transportation, and for other purposes as enumerated, are made for the biennium ending June 30, 1989, according to the following schedule:

<u>Highway Fund</u>	<u>1987-88</u>	<u>1988-89</u>
Department of Transportation		
Highways		
.01 State Aid - Public Transportation	2,500,000	<u>2,500,000 2,625,000</u>
.02 State Aid to Municipalities	62,851,923	<u>65,773,077 66,656,370</u>
GRAND TOTAL STATE AID/HIGHWAY FUND	\$65,351,923	\$68,273,077 <u>69,281,370</u>

PART III-----CAPITAL IMPROVEMENTS/HIGHWAY FUND

Sec. 4. Section 5 of Chapter 795 of the 1987 Session Laws reads as rewritten:

"Sec. 5. Appropriations are made from the Highway Fund for use by the State departments, institutions, and agencies to provide for capital improvements according to the following schedule:

	<u>1987-88</u>	<u>1988-89</u>
Division of Motor Vehicles		
.01 Driver License - Patrol Office, Newton	\$102,400	-
.02 Renovation of Motor Vehicles Building, Raleigh	36,400	-
.03 Roof Replacements at Three Locations	124,800	-
.04 Building Additions at Nine Locations	903,600	<u>1,002,000</u>
.05 Building Addition, Elizabeth City	56,900	-
.06 Building Addition, Gastonia	-	106,500
.07 Resurface Parking Lots at Four Locations	-	49,300
.08 Building Addition, Rocky Mount	-	106,800
.09 Electrical Renovations, C and L Garage, Raleigh	-	45,200
<u>.10 Division of Motor Vehicles Building-Roof Replacement</u>	<u>-</u>	<u>147,100</u>
<u>.11 Division of Motor Vehicles Building-Salisbury-Replace Septic System</u>	<u>-</u>	<u>55,650</u>

<u>.12 New Division of Motor Vehicles</u> <u>Building-Taylorsville</u>	-	<u>308,000</u>
<u>.13 New Division of Motor Vehicles</u> <u>Building-Aberdeen</u>	-	<u>440,300</u>
<u>.14 New Division of Motor Vehicles</u> <u>Building-Charlotte</u>	-	<u>922,100</u>
<u>.15 Handicap Modification to Division</u> <u>of Motor Vehicles Buildings</u> <u>(Statewide)</u>	-	<u>146,900</u>

Division of Highways

.01 Division Equipment Shop, North Wilkesboro	2,734,000	-
.02 Maintenance Headquarters, Taylorsville	450,000	<u>150,000</u>
.03 Equipment Repair Shop, Spruce Pine	32,000	598,000
.04 Division Equipment Shop, Fayetteville	115,000	2,142,500
.05 Division Sign Shop, Albemarle	32,000	610,000
.06 Equipment Repair Shop, Andrews	43,000	814,200
.07 Maintenance Warehouse, Sandy Ridge	14,000	218,000
.08 Equipment Repair Shop, Selma	46,000	870,600
.09 Salt Storage Facilities, Statewide	-	292,000

.10 Ferry Replacement and Facility Renovation	2,500,000	3,500,000 <u>7,000,000</u>
.11 Boiler Replacement H & T Central Lab, Raleigh	58,000	-
.12 Sewer Line, Division Complex, Wilmington	112,000	-
.13 Renovation to Thompson Building, Raleigh	21,000	387,800
.14 Bridge Maintenance Office, Boone	-	11,000
.15 Equipment Repair Shop, Burnsville	-	36,000
.16 Equipment Repair Shop, Shallote	-	27,000
.17 Equipment Repair Shop, Williamston	-	45,000
.18 Consolidation of Currituck/Dare Counties Bridge Maintenance Yards	-	500,000
.19 Maintenance Headquarters, Monroe	-	34,000
<u>.20 Rowan County Bridge Maintenance Relocation</u>	<u>-</u>	<u>550,000</u>
<u>.21 Cedar Island Mini Rest Area</u>	<u>-</u>	<u>150,000</u>
<u>.22 Highway Building-Roof Replacement</u>	<u>-</u>	<u>188,854</u>
<u>.23 New Division Office-Wilson Supplemental Funds</u>	<u>-</u>	<u>60,000</u>

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<u>.24 Division Office-Greensboro</u> <u>Supplemental Funds</u>	-	<u>150,000</u>
<u>.25 Division Office Annex-</u> <u>Albemarle</u>	-	<u>200,000</u>
<u>.26 Maintenance Office Addition</u> <u>-Beaufort County -</u>	<u>70,000</u>	
<u>.27 Division Shop-Furnace</u> <u>Replacement-Shelby Division</u> <u>Office</u>	-	<u>17,500</u>
<u>.28 Materials and Test Lab</u> <u>-Replacement-Statesville</u>	-	<u>25,000</u>
<u>.29 Method Complex-Raleigh</u> <u>-Supplemental Funds</u>	-	<u>700,000</u>

Other Agencies

.01 Department of Crime Control and Public Safety - Law Enforcement Precision Driving Track	2,654,000	-
.02 Highway Patrol - Upgrade Communications Tower And Radio System, Greensboro	250,000	-
.03 Renovation of Highway Patrol Station-Robeson County	-	<u>46,152</u>
.04 Renovation of Highway Patrol Station-Gaston County	-	<u>69,828</u>
GRAND TOTAL - HIGHWAY FUNDS	\$10,285,100	\$10,393,900 <u>\$19,293,284"</u>

PART IV-----DEPARTMENT OF TRANSPORTATION

Requested by: Senator Basnight

-----URBAN CONSTRUCTION FUNDS

Sec. 5. Section 167 of Chapter 738 of the 1987 Session Laws reads as rewritten:

"Sec. 167. Of the funds appropriated in Section 2 of this act to the Department of Transportation for fiscal year ~~1987-88~~ 1988-89, twenty million dollars (\$20,000,000) shall be allocated for small urban construction projects. Fourteen million dollars (\$14,000,000) shall be allocated equally among the 14 Highway Divisions for the Small Urban Construction Program for small urban construction projects that are located within the area covered by a one-mile radius of the municipal corporate limits. The remaining six million dollars (\$6,000,000) shall be used statewide for rural or small urban highway improvements as approved by the Secretary of the Department of Transportation.

None of these funds used for rural secondary road construction are subject to the county formula allocation as provided by G.S. 136-44.5."

Requested by: Sen. Goldston

-----HIGHWAY FUNDS/ADJUSTMENT TO REFLECT ACTUAL REVENUE

Sec. 6. Section 168 of Chapter 738 of the 1987 Session Laws reads as rewritten:

"Sec. 168. Any unreserved credit balance in the Highway Fund on June 30 of each of the fiscal years shall support appropriations in the succeeding fiscal year. If all of the balance is not needed for these appropriations, the Director of the Budget may use the remaining excess to establish a reserve for access and public roads, a reserve for unforeseen happening of state of affairs requiring prompt action as provided for by G.S. 136-44.2. and other required reserves. Actual revenue in excess of estimated revenue shall be placed in the reserve for highway construction and maintenance. If all of the remaining excess is not used to establish these reserves, the remainder shall be allocated to the State-funded maintenance or construction appropriations in the manner approved by the Board of Transportation. The Board of Transportation shall report monthly to the Joint Legislative Commission on Governmental Operations about the use of the reserve for highway construction and maintenance. The Board of Transportation shall send copies of the monthly reports to the Chairmen of the House and Senate Appropriations Committees on Natural and Economic Resources, and to the Chairmen of the Senate and House Committees on Transportation."

Requested by: Representative Hightower

-----STATE AID TO ANSON COUNTY AIRPORT

Sec. 7. Of the funds appropriated for State Aid to Airports in G.S. 136-16.4 for fiscal year 1988-89, the sum of fifty-eight thousand

dollars (\$58,000) shall be allocated to the Anson County Airport for runway maintenance and airport construction.

Requested by: Senator Plyler

-----AGING TRANSPORTATION SERVICES FUNDS

Sec. 8. Two million dollars (\$2,000,000) of the funds transferred from the General Fund to the Highway Fund under G.S. 105-164.44A are transferred back to the General Fund. These funds shall be used to fund the North Carolina Elderly and Handicapped Transportation Assistance Program created pursuant to G.S. 136-44.27.

Requested by: Representative Nesbitt

-----LEAKING PETROLEUM STORAGE TANK CLEAN-UP FUND

Sec. 8.1. (a) Four million dollars (\$4,000,000) of the funds transferred from the General Fund to the Highway Fund under G.S. 105-164.44A are transferred to the Noncommercial Leaking Petroleum Underground Storage Tank Clean-Up Fund created by Part 2A of Article 21A of Chapter 143 of the General Statutes.

(b) Section 6 of Chapter 1035 of the 1987 Session Laws is repealed.

Sec. 8.2. Section 1(b) of Chapter 1095, Session Laws of 1987 is amended by deleting "pursuant to G.S. 105-164.44A to the Department of Transportation" and substituting "from the Highway Fund to the General Fund".

PART V-----JUSTICE AND PUBLIC SAFETY

Requested by: Representative Nesbitt

-----USE OF DRUG DETECTION DOGS BY HIGHWAY PATROL

Sec. 8.2. The six drug detection dogs funded in the Department of Crime Control and Public Safety in the Current Operations--Highway Fund Budget for the fiscal year 1988-89 shall be used primarily on the interstate highways to interdict drugs transported into and through the State. They may be used on highways throughout the State if they are needed.

Requested by: Representative Holt, Senator Marvin

-----HIGHWAY PATROL BAR LIGHT REPLACEMENTS/REPORT ON COMMUNICATION EQUIPMENT

Sec. 10. (a) Of the funds appropriated from the Highway Fund for the 1988-89 fiscal year to the Department of Crime Control and Public Safety, the sum of four hundred twenty thousand dollars (\$420,000) shall be used to purchase bar lights for highway patrol

cars to replace older emergency warning lights and sirens on the cars.

(b) The Department of Crime Control and Public Safety shall report monthly to the Joint Legislative Commission on Governmental Operations and the Fiscal Research Division on the number of bar lights purchased, the number of bar lights installed, and the anticipated completion date of the replacement process.

(c) The Department of Crime Control and Public Safety shall report to the Joint Legislative Commission on Governmental Operations and the Fiscal Research Division by September 1988, and monthly thereafter if so requested, as to the number of walkie/talkie repeater radios purchased since July 1, 1987, and the number of cars equipped with the new communication equipment. The Department shall account for funds remaining from the appropriation to the Department in Section 3 of Chapter 738 of the 1987 Session Laws that were designated for the purchase of the walkie/talkie repeater radios.

PART VI-----DEPARTMENT OF HUMAN RESOURCES

Requested by: Representative Nye, Senators Walker, Plyler, Rand
-----DOMICILIARY HOME RATE INCREASE

Sec. 11. Section 77 of Chapter 738 of the 1987 Session Laws reads as rewritten:

"Sec. 77. Effective ~~October 1, 1987,~~ January 1, 1989, the maximum monthly rate increase for ambulatory residents in domiciliary care facilities shall be ~~six hundred fifty-four dollars (\$654.00)~~ six hundred eighty-seven dollars (\$687.00) and the maximum monthly rate for semi-ambulatory residents shall be ~~six hundred eighty-seven dollars (\$687.00)~~ seven hundred twenty-one dollars (\$721.00)."

Requested by: Representative Nye, Senator Walker
-----STATE/COUNTY SPECIAL ASSISTANCE FOR ADULTS

Sec. 12. There is appropriated from the General Fund to the Department of Human Resources, Division of Social Services the sum of seven hundred thirty-six thousand twenty-one dollars (\$736,021) for fiscal year 1988-89 and to the Department of Human Resources, Division of Services for the Blind the sum of thirty-one thousand thirty-four dollars (\$31,034) for fiscal year 1988-89. These funds shall be used to meet rising costs in the Special Assistance for the Blind Program.

Requested by: Senators Walker, Plyler
-----SEPTAGE MANAGEMENT FEES

Sec. 13. Receipts collected by the Department of Human Resources during fiscal year 1988-89 pursuant to legislatively mandated septage management fees are appropriated to the Department of Human Resources to establish and implement the North Carolina Septage Management Program.

Requested by: Senators Walker, Plyler, Representative Locks

-----BIRTH DEFECTS REGISTRY FUNDING

Sec. 14. The Division of Health Services may use up to thirty-six thousand dollars (\$36,000) of Vital Records receipts to fund the operations of the North Carolina Birth Defects Registry during fiscal year 1988-89.

PART XI-----MISCELLANEOUS PROVISIONS

-----EXECUTIVE BUDGET ACT APPLIES

Sec. 15. The provisions of the Executive Budget Act, Chapter 143, Article 1, of the General Statutes, are reenacted and shall remain in full force and effect and are incorporated in this act by reference.

Sec. 16. The July 11, 1988 Report of the Senate Appropriations Committee which was distributed in the Senate and the House of Representatives and used to explain this act, shall indicate action by the General Assembly on this act and shall therefore be used to construe this act, as provided in G.S. 143-15 of the Executive Budget Act, and for such purposes shall be considered a part of this act.

-----MOST TEXT APPLIES ONLY TO 1988-89

Sec. 17. Except for statutory changes or other provisions that clearly indicate an intention to have effects beyond the 1988-89 fiscal year, the textual provisions of this act apply only to funds appropriated for, and activities occurring during, the 1988-89 fiscal year.

-----1987-88 APPROPRIATIONS LIMITATIONS AND DIRECTIONS APPLY

Sec. 18. Except where expressly repealed or amended by this act, the provisions of Chapters 738, 795, 830, 876, 886, 1036, and 1086 of the 1987 Session Laws as amended remain in effect.

Sec. 19. Notwithstanding any modifications by this act in the amounts appropriated, except where expressly repealed or amended, the limitations and directions for the 1987-89 fiscal biennium in Chapters 738, 795, 830, 876, 886, 1036, and 1086 of the 1987 Session Laws that applied to appropriations to particular agencies or for particular purposes apply to the newly enacted appropriations of this act for those same particular purposes.

Sec. 20. Section 15 of Chapter 1036 of the 1987 Session Laws, as amended, is repealed.

-----EFFECT OF HEADINGS

Sec. 21. The headings to the parts and sections of this act are a convenience to the reader and are for reference only. The headings do not expand, limit, or define the text of this act.

-----SEVERABILITY CLAUSE

Sec. 22. If any section or provision of this act is declared unconstitutional or invalid by the courts, it does not affect the validity of this act as a whole or any part other than the part so declared to be unconstitutional or invalid.

-----EFFECTIVE DATE

Sec. 23. Except as otherwise provided, this act shall become effective July 1, 1988.

In the General Assembly read three times and ratified this the 12th day of July, 1988.

H.B. 245

CHAPTER 1102

AN ACT TO REQUIRE THE STATE BOARD OF EDUCATION,
THE STATE BOARD OF COMMUNITY COLLEGES AND THE
UNIVERSITY BOARD OF GOVERNORS TO MEET JOINTLY
AT LEAST ONCE A YEAR.

The General Assembly of North Carolina enacts:

Section 1. G.S. 115C-11 is amended by adding a new subsection to read:

"(b1) Annual meeting with the State Board of Community Colleges and the Board of Governors of The University of North Carolina. The State Board of Education shall meet with the State Board of Community Colleges and the Board of Governors of The University of North Carolina at least once a year to discuss educational matters of mutual interest and to recommend to the General Assembly such policies as are appropriate to encourage the improvement of public education at every level in this State. The meeting in 1987 and every three years thereafter shall be hosted by the University Board of Governors, the meeting in 1988 and every three years thereafter shall be hosted by the State Board of Education, and the meeting in 1989 and every three years thereafter shall be hosted by the State Board of Community Colleges."

Sec. 2. G.S. 115D-2.1(g) is amended by adding after the first sentence the following:

"The State Board of Community Colleges shall also meet with the State Board of Education and the Board of Governors of The University of North Carolina at least once a year to discuss educational matters of mutual interest and to recommend to the General Assembly such policies as are appropriate to encourage the improvement of public education at every level in this State; these joint meetings shall be hosted by the three Boards according to the schedule set out in G.S. 115C-11(b1)."

Sec. 3. G.S. 116-9 is amended by adding after the first sentence the following:

"The Board of Governors shall also meet with the State Board of Education and the State Board of Community Colleges at least once a year to discuss educational matters of mutual interest and to recommend to the General Assembly such policies as are appropriate to encourage the improvement of public education at every level in this State; these joint meetings shall be hosted by the three Boards according to the schedule set out in G.S. 115C-11(b1)."

Sec. 4. This act shall become effective July 1, 1987.

In the General Assembly read three times and ratified this the 12th day of July, 1988.

S.B. 847

CHAPTER 1103

AN ACT TO PERMIT A MEMBER OF THE TEACHERS' AND STATE EMPLOYEES' RETIREMENT SYSTEM TO PURCHASE TIME LOST DUE TO AN EXTENDED ILLNESS, BY PAYING THE FULL ACTUARIAL COST.

The General Assembly of North Carolina enacts:

Section 1. G.S. 135-4 is amended by adding a new subdivision (x) to the end to read:

"(x) Credit at Full Cost for Leave due to Extended Illness. Any member in service with five or more years of membership service standing to his credit may purchase creditable service for periods of interrupted service while on leave without pay status due to the member's illness or injury, excluding leave due to maternity, provided that any single such interrupted service shall have included such period of time during which the member failed to earn at least two months membership service, by making a lump sum amount payable to the Annuity Savings Fund equal to the full liability of the service credits calculated on the basis of the assumptions used for purposes of the actuarial valuation of the system's liabilities; and the calculation of

the amount payable shall take into account the retirement allowance arising on account of the additional service credit commencing at the earliest age at which the member could retire on an unreduced retirement allowance, as determined by the Board of Trustees upon the advice of the consulting actuary, plus an administrative fee to be set by the Board of Trustees."

Sec. 2. This act shall become effective July 1, 1988.

In the General Assembly read three times and ratified this the 12th day of July, 1988.

S.B. 1868

CHAPTER 1104

AN ACT TO PROVIDE FOR THE USE OF PEN REGISTERS AND TRAP AND TRACE DEVICES IN CONFORMITY WITH FEDERAL LAW.

The General Assembly of North Carolina enacts:

Section 1. Chapter 15A of the General Statutes is amended by adding the following new Article 12 to read:

"Article 12.

"Pen Registers; Trap and Trace Devices.

" § 15A-260. *Definitions.*--As used in this Article:

(1) 'Electronic communication,' 'electronic communication service,' and 'wire communication' shall have the meaning as set forth in Section 2510 of Title 18 of the United States Code;

(2) 'Pen register' means a device which records or decodes electronic or other impulses which identify numbers dialed or otherwise transmitted on the telephone line to which such device is attached, but the term does not include any device used by a provider or customer of a wire or electronic service for billing, or recording as an incident to billing, for communication services provided by the provider or any device used by a provider or customer of a wire communication service for cost accounting or other like purposes in the ordinary course of its business, nor shall the term include any device which allows the listening or recording of communications transmitted on the telephone line to which the device is attached.

(3) 'Trap and trace device' means a device which captures the incoming electronic or other impulses which identify the originating number of an instrument or device from which a wire or electronic communication was transmitted.

" §15A-261. *Prohibition and exceptions.*--(a) In General. Except as provided in subsection (b) of this section, no person may install or use a pen register or a trap and trace device without first obtaining a court

order as provided in this Article.

(b) Exception. The prohibition of subsection (a) of this section does not apply to the use of a pen register or a trap and trace device by a provider of wire or electronic communication service:

- (1) Relating to the operation, maintenance, or testing of a wire or electronic communication service or to the protection of the rights or property of the provider, or to the protection of users of that service from abuse of service or unlawful use of service; or
- (2) To record the fact that a wire or electronic communication was initiated or completed in order to protect the provider, another provider furnishing service toward the completion of the wire communication, or a user of that service, from fraudulent, unlawful or abusive use of service; or
- (3) With the consent of the user of that service.

(c) Penalty. A person who willfully and knowingly violates subsection (a) of this section is guilty of a misdemeanor punishable by a fine, imprisonment of not more than one year, or both.

" §15A-262. *Application for order for pen register or trap and trace device.*--(a) Application. A law enforcement officer may make an application for an order or an extension of an order under G.S. 15A-263 authorizing or approving the installation and use of a pen register or a trap and trace device, in writing under oath or affirmation, to a superior court judge.

(b) Contents of application. An application under subsection (a) of this section shall include:

- (1) The identity of the law enforcement officer making the application and the identity of the law enforcement agency conducting the investigation; and
- (2) A certification by the applicant that the information likely to be obtained is relevant to an ongoing criminal investigation being conducted by that agency.

" §15A-263. *Issuance of order for pen register or trap and trace device.*--(a) In General. Following application made under G.S. 15A-262, a superior court judge may enter an **ex parte** order authorizing the installation and use of a pen register or a trap and trace device within the State if the judge finds:

- (1) That there is reasonable suspicion to believe that an offense punishable by imprisonment for more than one year has been committed;
- (2) That there are reasonable grounds to suspect that the person named or described in the affidavit committed the offense, if that person is known and can be named or described; and

- (3) That the results of procedures involving pen registers or trap and trace devices will be of material aid in determining whether the person named in the affidavit committed the offense.
- (b) Contents of Order. An order issued under this section:
 - (1) Shall specify:
 - a. The identity, if known, of the person to whom is leased or in whose name is listed the telephone line to which the pen register or trap and trace device is to be attached;
 - b. The identity, if known, of the person who is the subject of the criminal investigation;
 - c. The number and, if known, physical location of the telephone line to which the pen register or trap and trace device is to be attached and, in the case of a trap and trace device, the geographic limits of the trap and trace order; and
 - d. The offense to which the information likely to be obtained by the pen register or trap and trace device relates; and
 - (2) Shall direct, upon request of the applicant, the furnishing of information, facilities, or technical assistance necessary to accomplish the installation of the pen register or trap and trace device under G.S. 15A-264.
- (c) Time Period and Extension.
 - (1) An order issued under this section shall authorize the installation and use of a pen register or a trap and trace device for a period not to exceed 60 days.
 - (2) An extension of an order issued under this section may be granted, but only upon an application for an order under G.S. 15A-262 and upon the judicial finding required by subsection (a) of this section. The period of extension shall not exceed 60 days.
- (d) Nondisclosure of Existence of Pen Register or a Trap and Trace Device. An order authorizing or approving the installation and use of a pen register or a trap and trace device shall direct that:
 - (1) The order be sealed until otherwise ordered by the judge; and
 - (2) The person owning or leasing the line to which the pen register or a trap and trace device is attached, or who has been ordered by the judge to provide assistance to the applicant, not disclose the existence of the pen register or trap and trace device or the existence of the investigation to

the listed subscriber, or to any person, unless otherwise ordered by the judge.

The provisions of G.S. 15A-903 and 15A-904 shall apply to this Article.

" §15A-264. *Assistance in installation and use of a pen register or a trap and trace device.*--(a) Pen Registers. Upon the request of a law enforcement officer authorized to install and use a pen register under this Article, a provider of wire or electronic communication service, a landlord, a custodian, or other person shall furnish the officer promptly with all information, facilities, or technical assistance necessary to accomplish the installation of the pen register unobtrusively and with a minimum of interference with the communication services, if the assistance is directed by a court order as provided in G.S. 15A-263(b)(2).

(b) Trap and Trace Devices. Upon the request of a law enforcement officer authorized to receive the results of a trap and trace device under this Article, a provider of a wire or electronic communication service, a landlord, a custodian, or other person shall install the device immediately on the appropriate line and shall furnish the officer all additional information, facilities, or technical assistance, including installation and operation of the device unobtrusively and with a minimum of interference with the communication services, if the installation and assistance are directed by court order as provided in G.S. 15A-263(b)(2). Unless otherwise ordered by the judge, the results of the trap and trace device shall be furnished to the law enforcement officer designated in the court order at reasonable intervals during regular business hours for the duration of the order.

(c) Compensation. A provider of a wire or electronic communication service, a landlord, a custodian, or other person who furnishes facilities or technical assistance pursuant to this section shall be compensated for the reasonable expenses incurred in providing the facilities and assistance.

(d) No Cause of Action Against a Provider Giving Information or Assistance Under this Article. No cause of action shall be allowed in any court against any provider of a wire or electronic communication service, its officers, employees, agents, or other specified persons for providing information, facilities, or assistance in accordance with the terms of a court order under this Article.

(e) Defense. A good faith reliance on a court order or a statutory authorization is a complete defense against any civil or criminal action brought under this Article or any other law."

Sec. 2. This act shall become effective October 1, 1988, and shall apply to the installation and use of pen registers and trap and

trace devices on or after that date.

In the General Assembly read three times and ratified this the 12th day of July, 1988.

H.B. 288

CHAPTER 1105

AN ACT AMENDING THE NORTH CAROLINA MOTOR
VEHICLE SALVAGE TITLE LAW.

The General Assembly of North Carolina enacts:

Section 1. G.S. 20-4.01(33)(d) is rewritten to read:

"(d) Salvage Motor Vehicle.--Any motor vehicle damaged by collision or other occurrence to the extent that the cost of repairs to the vehicle and rendering the vehicle safe for use on the public streets and highways would exceed seventy-five percent (75%) of its fair retail market value. Repairs shall include the cost of parts and labor. Fair market retail values shall be as found in the NADA pricing Guide Book or other publications approved by the Commissioner."

Sec. 2. G.S. 20-71.3 is amended by deleting the third sentence and substituting the following:

"Any motor vehicle damaged by collision or other occurrence which is to be retitled in this State shall be subject to preliminary and final inspections by the Enforcement Section of the Division, and the Division shall refuse to issue a title to a vehicle which has not undergone a preliminary inspection. Any motor vehicle which has been branded in another state shall be branded with the nearest applicable brand specified in this section, except that no junk vehicle or vehicle that has been branded junk in another state shall be titled or registered. A motor vehicle damaged by collision or other occurrence may be repaired and an unbranded title issued if the cost of repairs, including parts and labor, does not exceed seventy-five percent (75%) of its fair market retail value."

Sec. 3. G.S. 20-71.4 is rewritten to read:

"§ 20-71.4. *Failure to disclose damage to a vehicle shall be a misdemeanor.*--(a) It shall be unlawful and constitute a misdemeanor for any person who knows or reasonably should know that a motor vehicle has been involved in collision or other occurrence to the extent that the cost of repairing that vehicle exceeds twenty-five percent (25%) of its fair market retail value to fail to disclose that fact to the transferee prior to transfer of the vehicle.

(b) It shall be unlawful for any person to remove the title or supporting documents to any motor vehicle from the State of North

Carolina with the intent to conceal damage (or damage which has been repaired) occurring as a result of a collision or other occurrence. Violation of this statute shall constitute a misdemeanor."

Sec. 4. Sections 1 and 2 of this act are effective upon ratification and shall expire June 30, 1989, at which time those laws shall read as they did on January 1, 1988. Section 3 of this act shall become effective October 1, 1988, and applies to offenses committed on or after that date.

In the General Assembly read three times and ratified this the 12th day of July, 1988.

H.B. 2407

CHAPTER 1106

AN ACT FOR CAPITAL IMPROVEMENTS AND SATELLITE JAIL/WORK RELEASE UNITS.

The General Assembly of North Carolina enacts:

Section 1. G.S. 153A-230.1(2) reads as rewritten:

"(2) 'Satellite Jail/Work Release Unit' means a building or designated portion of a building primarily designed, staffed, and used for the housing of misdemeanants participating in a work release program. These units shall house misdemeanants only, except that, if he so chooses, the Sheriff may accept responsibility from the Department of Correction for the housing of felons who do not present security risks, who have achieved work release status, and who will be employed on work release, or for felons committed directly to his custody pursuant to G.S. 15A-1352(b). These units ~~and~~ shall be operated on a full time basis, i.e., seven days/nights a week."

Sec. 2. G.S. 153A-230.2(a)(6) reads as rewritten:

"(6) Take into consideration the potential number of misdemeanants and the percentage of the county's or counties' misdemeanorant population to be diverted from the State prison system."

Sec. 3. G.S. 153A-230.2(a)(7) reads as rewritten:

"(7) Take into consideration the utilization of ~~vacant~~ existing buildings suitable for renovation where appropriate."

Sec. 4. G.S. 153A-230.3(a)(2) reads as rewritten:

"(2) The County shall offer ~~the program~~ work release programs to both ~~men and women~~ male and female misdemeanants, through local facilities for both, or through a contractual agreement with another entity for either, provided that such arrangement is in reasonable proximity to the misdemeanorant's workplace."

Sec. 5. G.S. 153A-230.3(a)(5) reads as rewritten:

"(5) The Sheriff may accept work release misdemeanants or felons from the Department of Correction provided that those inmates agree to pay for their upkeep, that space is available, and that the Sheriff is willing to accept responsibility for the prisoner after screening. ~~If accepted, these inmates shall become the sole responsibility of the Sheriff and subject to the rules, regulations, and policies of the satellite jail/work release unit.~~"

Sec. 6. G.S. 153A-230.4 reads as rewritten:

"§ 153A-230.4. *Standards.*--The county satellite jail/work release units for misdemeanants shall not be subject to the standards promulgated for local confinement facilities pursuant to ~~G.S. 153A-221.1~~ G.S. 153A-221. The Secretary of Human Resources shall develop and enforce standards for satellite/work release units. The Secretary shall take into consideration that they are to house only screened misdemeanants most of whom are on work release and therefore occupy the premises only in their off-work hours. After consultation with the North Carolina Sheriff's Association, the North Carolina Association of County Commissioners, and the Joint Legislative Commission on Governmental Operations, the Secretary of Human Resources shall promulgate standards suitable for these units by January 1, 1988, and shall include these units in the Department's monitoring and inspection responsibilities. Further, the North Carolina Sheriffs' Education and Training Standards Commission shall include appropriate training for Sheriffs and other county law enforcement personnel in regard to the operation, management and guidelines for county work release centers pursuant to its authority under G.S. 17E-4."

Sec. 7. G.S. 153A-230.5(b) reads as rewritten:

"(b) If a county operates a non-State funded satellite jail/work release unit that does not comply with the basic requirements listed in G.S. 153A-230.2 and G.S. 153A-230.3, then the satellite jail shall be subject to the standards, rules, and regulations to be promulgated by the Secretary of Human Resources pursuant to Part 2 of Article 10 of Chapter 153A. ~~Further, the male inmates who are serving a sentence of 30 days or more in these units shall be regarded as State prisoners and subject to the rules and regulations of the Department of Correction, which shall develop policies and procedures for the operation.~~ If a county is reimbursed for the cost of a prisoner's keep from an inmate's work release earnings in an amount equal to or greater than that paid by the Department of Correction to local confinement facilities under G.S. 148-32.1, the county may not receive additional payments from the department for the cost of a prisoner's keep. However, if reimbursement to the county for the cost of a prisoner's keep is less than the amount allowed under G.S.

148-32.1, the county may receive from the Department of Correction the difference in the amount received from work release earnings and the amount paid by the department to local confinement facilities. The department may promulgate rules regarding such payment arrangements."

Sec. 8. This act shall become effective October 1, 1988.

In the General Assembly read three times and ratified this the 12th day of July, 1988.

H.B. 2528

CHAPTER 1107

AN ACT TO APPROPRIATE FUNDS TO THE CENTER FOR COMMUNITY SELF-HELP FOR OPERATIONS.

The General Assembly of North Carolina enacts:

Section 1. There is appropriated from the General Fund to the Center for Community Self-Help the sum of two million dollars (\$2,000,000) for the 1988-89 fiscal year to aid in the acceleration of economic development in minority communities and depressed rural and urban areas in North Carolina. As used in this act "minority" includes Indians.

Sec. 2. This act shall become effective July 1, 1988.

In the General Assembly read three times and ratified this the 12th day of July, 1988.

S.B. 1585

CHAPTER 1108

AN ACT TO INCREASE THE DEATH BENEFIT UNDER THE TEACHERS' AND STATE EMPLOYEES' RETIREMENT SYSTEM AND INCREASE THE THRESHOLD AMOUNTS IN THE BID STATUTES FOR PURCHASES, AND TO AUTHORIZE WAIVER OF CERTAIN BID BONDS.

The General Assembly of North Carolina enacts:

Section 1. G.S. 135-5(l) reads as rewritten:

"(l) Death Benefit Plan. -- There is hereby created a Group Life Insurance Plan (hereinafter called the 'Plan') which is established as an employee welfare benefit plan that is separate and apart from the Retirement System and under which the members of the Retirement System shall participate and be eligible for group life insurance benefits. Upon receipt of proof, satisfactory to the Board of Trustees in their capacity as trustees under the Group Life Insurance Plan, of the death, in service, of a member who had completed at least one full calendar year of membership in the Retirement System, there shall be

paid to such person as he shall have nominated by written designation duly acknowledged and filed with the Board of Trustees, if such person is living at the time of the member's death, otherwise to the member's legal representatives, a death benefit. Such death benefit shall be equal to the greater of:

(1) The compensation on which contributions were made by the member during the calendar year preceding the year in which his death occurs, or

(2) The greatest compensation on which contributions were made by the member during a 12-month period of service within the 24-month period of service ending on the last day of the month preceding the month in which his last day of actual service occurs; subject to a ~~maximum of twenty thousand dollars (\$20,000)~~ minimum of twenty-five thousand dollars (\$25,000) and to a maximum of fifty thousand dollars (\$50,000). Such death benefit shall be payable apart and separate from the payment of the member's accumulated contributions under the System on his death pursuant to the provisions of subsection (f) of this section. For the purpose of the Plan, a member shall be deemed to be in service at the date of his death if his death occurs within 180 days from the last day of his actual service.

The death benefit provided in this subsection (1) shall not be payable, notwithstanding the member's compliance with all the conditions set forth in the preceding paragraph, if his death occurs

- (1) After December 31, 1968 and after he has attained age 70; or
- (2) After December 31, 1969 and after he has attained age 69; or
- (3) After December 31, 1970 and after he has attained age 68; or
- (4) After December 31, 1971 and after he has attained age 67; or
- (5) After December 31, 1972 and after he has attained age 66; or
- (6) After December 31, 1973 and after he has attained age 65; or
- (7) After December 31, 1978 but before July 1, 1988 and after he has attained age 70.

Notwithstanding the above provisions, the death benefit shall be payable on account of the death of any member who died or dies on or after January 1, 1974, but before January 1, 1979, after attaining age 65, if he or she had not yet attained age 65, if he or she had not yet attained age 66, was at the time of death completing the work year for those individuals under specific contract, or during the fiscal year for those individuals not under specific contract, in which he or she attained 65, and otherwise met all conditions for payment of the death benefit.

Notwithstanding the above provisions, the Board of Trustees may and is specifically authorized to provide the death benefit according to

the terms and conditions otherwise appearing in this Plan in the form of group life insurance, either (i) by purchasing a contract or contracts of group life insurance with any life insurance company or companies licensed and authorized to transact business in this State for the purpose of insuring the lives of members in service, or (ii) by establishing a separate trust fund qualified under Section 501(c)(9) of the Internal Revenue Code of 1954, as amended, for such purpose. To that end the Board of Trustees is authorized, empowered and directed to investigate the desirability of utilizing group life insurance by either of the foregoing methods for the purpose of providing the death benefit. If a separate trust fund is established, it shall be operated in accordance with rules and regulations adopted by the Board of Trustees and all investment earnings on the trust fund shall be credited to such fund.

In administration of the death benefit the following shall apply:

(1) For the purpose of determining eligibility only, in this subsection 'calendar year' shall mean any period of 12 consecutive months or, if less, the period covered by an annual contract of employment. For all other purposes in this subsection 'calendar year' shall mean the 12 months beginning January 1 and ending December 31.

(2) Last day of actual service shall be:

- a. When employment has been terminated, the last day the member actually worked.
- b. When employment has not been terminated, the date on which an absent member's sick and annual leave expire, unless he is on approved leave of absence and is in service under the provisions of G.S. 135-4(h).

(3) For a period when a member is on leave of absence, his status with respect to the death benefit will be determined by the provisions of G.S. 135-4(h).

(4) A member on leave of absence from his position as a teacher or State employee for the purpose of serving as a member or officer of the General Assembly shall be deemed to be in service during sessions of the General Assembly and thereby covered by the provisions of the death benefit. The amount of the death benefit for such member shall be the equivalent of the salary to which the member would have been entitled as a teacher or State employee during the 12-month period immediately prior to the month in which death occurred, not to ~~exceed twenty thousand dollars (\$20,000)~~ be less than twenty-five thousand dollars (\$25,000) nor to exceed fifty thousand dollars (\$50,000).

The provisions of the Retirement System pertaining to Administration, G.S. 135-6, and management of funds, G.S. 135-7, are hereby made applicable to the Plan.

A member who is a beneficiary of the Disability Income Plan provided for in Article 6 of this Chapter shall be eligible for group life insurance benefits as provided in this subsection, notwithstanding that the member is no longer an employee or teacher or that the member's death occurs after the eligibility period after active service. The basis of the death benefit payable hereunder shall be the higher of the death benefit computed as above or a death benefit based on compensation used in computing the benefit payable under G.S. 135-106 as may be adjusted for percentage post-disability increases, all subject to the maximum dollar limitation as provided above. A member in receipt of benefits from the Disability Income Plan under the provisions of G.S. 135-112(b) and (c) whose right to a benefit accrued under the former Disability Salary Continuation Plan shall not be covered under the provisions of this paragraph.

Upon receipt of proof, satisfactory to the Board of Trustees in its capacity under this subsection, of the death of a retired member of the Retirement System on or after July 1, 1988, there shall be paid a death benefit to the surviving spouse of the deceased retired member or to the deceased retired member's legal representative if not survived by a spouse; provided the retired member has elected, when first eligible, to make, and has continuously made, in advance of his death required contributions as determined by the Board of Trustees on a fully contributory basis, through retirement allowance deductions or other methods adopted by the Board of Trustees, to a group death benefit trust fund administered by the Board of Trustees separate and apart from the Retirement System's Annuity Savings Fund and Pension Accumulation Fund. This death benefit shall be a lump-sum payment in the amount of five thousand dollars (\$5,000) upon the completion of twenty-four months of contributions required under this subsection. Should death occur before the completion of twenty-four months of contributions required under this subsection, the deceased retired member's surviving spouse or legal representative if not survived by a spouse shall be paid the sum of the retired member's contributions required by this subsection plus interest to be determined by the Board of Trustees."

Sec. 2. The provisions of Sections 1 and 3 of this act shall be funded through unencumbered reserves as of December 31, 1987, in the Death Benefit Trust Fund for Teachers and State Employees.

Sec. 3. G.S. 128-27(1) is amended in the second paragraph by deleting the phrase "(7) After December 31, 1978 and after he has

attained age 70." and substituting the phrase "(7) After December 31, 1978 but before July 1, 1988 and after he has attained age 70."

Sec. 4. The first paragraph of G.S. 143-128 is amended by deleting "fifty thousand dollars (\$50,000)" and substituting "one hundred thousand dollars (\$100,000)".

Sec. 5. The third paragraph of G.S. 143-128 is amended by deleting "five thousand dollars (\$5,000)" and substituting "ten thousand dollars (\$10,000)".

Sec. 6. G.S. 143-131 is amended by deleting "two thousand five hundred dollars (\$2,500)" and substituting "five thousand dollars (\$5,000)".

Sec. 7. The first paragraph of G.S. 143-129 is amended by deleting "ten thousand dollars (\$10,000)" and substituting "twenty thousand dollars (\$20,000)".

Sec. 8. G.S. 143-129 is amended by adding the following language at the end of the paragraph beginning "No proposal shall be considered...", "In the case of proposals in an estimated amount of less than one hundred thousand dollars (\$100,000) for the purchase of apparatus, supplies, materials, or equipment, the board or governing body may waive the requirement for a bid bond or other deposit".

Sec. 9. G.S. 160A-266(b) is amended by deleting "five thousand dollars (\$5,000)" each time those words and numbers appear, and substituting "ten thousand dollars (\$10,000)".

Sec. 10. G.S. 44A-26 is amended by deleting "thirty thousand dollars (\$30,000)" and substituting "fifty thousand dollars (\$50,000)".

Sec. 11. The following local acts, raising thresholds to the same or lesser levels than those provided by Sections 4 through 8 of this act are repealed:

Chapter 1158, Session Laws of 1973 (already repealed by implication),

Chapter 34, Session Laws of 1981,

Chapter 871, Session Laws of 1985, Section 2 only.

Sec. 12. This act shall become effective August 1, 1988.

In the General Assembly read three times and ratified this the 12th day of July, 1988.

AN ACT TO REDUCE THE MINIMUM YEARS OF SERVICE
REQUIRED FOR MEMBERSHIP IN THE LEGISLATIVE
RETIREMENT SYSTEM.

The General Assembly of North Carolina enacts:

Section 1. G.S. 120-4.11 reads as rewritten:

" § 120-4.11. *Membership.*--The following members of the General Assembly and former members of the General Assembly are eligible for membership in the Retirement System, provided they are not contributing to nor are qualified to contribute to the North Carolina Teachers' and State Employees' Retirement System, the Local Governmental Employees' Retirement System, the Law Enforcement Officers' Retirement System or the Consolidated Judicial Retirement System of North Carolina:

- (1) Members of the General Assembly who serve on and after June 15, 1983; and
- (2) Former members of the General Assembly who served prior to June 15, 1983; and
 - a. Who elect to transfer current and future entitlements, or contributions, from the Legislative Retirement Fund established by Chapter 1269 of the 1969 Session Laws; or
 - b. Who have ~~eight~~ five or more years of service as a member of the General Assembly."

Sec. 2. This act shall become effective July 1, 1989.

In the General Assembly read three times and ratified this the 12th day of July, 1988.

S.B. 601

CHAPTER 1110

AN ACT TO INCREASE THE RETIREMENT FORMULA FOR MEMBERS AND BENEFICIARIES OF THE TEACHERS' AND STATE EMPLOYEES' RETIREMENT SYSTEM AND MEMBERS AND BENEFICIARIES OF THE LOCAL GOVERNMENTAL EMPLOYEES' RETIREMENT SYSTEM.

The General Assembly of North Carolina enacts:

Section 1. G.S. 135-5(b9) is amended by rewriting the language preceding the first colon to read:

"Service Retirement Allowance of Members Retiring on or after July 1, 1985, but before July 1, 1988. Upon retirement from service, in accordance with subsection (a) above, on or after July 1, 1985, but before July 1, 1988, a member shall receive the following service retirement allowance".

Sec. 2. G.S. 135-5 is amended by adding a new subsection to read:

"(b10) Service Retirement Allowance of Members Retiring on or

after July 1, 1988. Upon retirement from service in accordance with subsection (a) above, on or after July 1, 1988, a member shall receive the following service retirement allowance:

- (1) A member who is a law enforcement officer or an eligible former law enforcement officer shall receive a service retirement allowance computed as follows:
 - a. If the member's service retirement date occurs on or after his 55th birthday, and completion of five years of creditable service as a law enforcement officer, or after the completion of 30 years of creditable service, the allowance shall be equal to one and sixty hundredths percent (1.60%) of his average final compensation, multiplied by the number of years of his creditable service.
 - b. This allowance shall also be governed by the provisions of G.S. 135-5(b9)(1)b.
- (2) A member who is not a law enforcement officer or an eligible former law enforcement officer shall receive a service retirement allowance computed as follows:
 - a. If the member's service retirement date occurs on or after his 65th birthday upon the completion of five years of creditable service or after the completion of 30 years of creditable service or on or after his 60th birthday upon the completion of 25 years of creditable service, such allowance shall be equal to one and sixty hundredths percent (1.60%) of his average final compensation, multiplied by the number of years of his creditable service.
 - b. This allowance shall also be governed by the provisions of G.S. 135-5(b9)(2)b., c. and d."

Sec. 3. G.S. 135-5 is further amended by adding a new subsection to read:

"(oo) Increase in Allowance as to Persons on Retirement Rolls as of June 1, 1988. From and after July 1, 1988, the retirement allowance to or on account of beneficiaries on the retirement rolls as of June 1, 1988, shall be increased by one and two-tenths percent (1.2%) of the allowance payable on June 1, 1988. This allowance shall be calculated on the basis of the allowance payable and in effect on June 30, 1988, so as not to be compounded on any other increase payable under subsection (o) of this section or otherwise granted by act of the 1987 Session of the General Assembly."

Sec. 4. G.S. 128-27(b8) is amended by rewriting the language preceding the first colon to read:

"Service Retirement Allowance of Law Enforcement Officers

Retiring on or after January 1, 1986, but before July 1, 1988. Upon retirement from service, in accordance with subsection (a) above, on or after January 1, 1986, but before July 1, 1988, a member who is a law enforcement officer or an eligible former law enforcement officer shall receive the following service retirement allowance".

Sec. 5. G.S. 128-27(b9) is amended by rewriting the language preceding the first colon to read:

"Service Retirement Allowance of Members Retiring on or after July 1, 1985, but before July 1, 1988. Upon retirement from service, in accordance with subsection (a) above, on or after July 1, 1985, but before July 1, 1988, a member shall receive the following service retirement allowance".

Sec. 6. G.S. 128-27 is amended by adding a new subsection to read:

"(b10) Service Retirement Allowance of Members Retiring on or after July 1, 1988. Upon retirement from service in accordance with subsection (a) above, on or after July 1, 1988, a member shall receive the following service retirement allowance:

- (1) A member who is a law enforcement officer or an eligible former law enforcement officer shall receive a service retirement allowance computed as follows:
 - a. If the member's service retirement date occurs on or after his 55th birthday, and completion of five years of creditable service as a law enforcement officer, or after the completion of 30 years of creditable service, the allowance shall be equal to one and sixty hundredths percent (1.60%) of his average final compensation, multiplied by the number of years of his creditable service.
 - b. Such allowance shall also be governed by the provisions of G.S. 128-27(b8)(2).
- (2) A member who is not a law enforcement officer or an eligible former law enforcement officer shall receive a service retirement allowance computed as follows:
 - a. If the member's service retirement date occurs on or after his 65th birthday upon the completion of five years of creditable service or after the completion of 30 years of creditable service, or on or after his 60th birthday upon the completion of 25 years of creditable service, such allowance shall be equal to one and sixty-hundredths percent (1.60%) of his average final compensation, multiplied by the number of years of his creditable service.
 - b. Such allowance shall also be governed by the provisions

of G.S. 128-27(b7)(2a), (2b) and (3)."

Sec. 7. G.S. 128-27 is further amended by adding a new subsection to read:

"(ee) Increase in Allowance as to Persons on Retirement Rolls as of June 1, 1988. From and after July 1, 1988, the retirement allowance to or on account of beneficiaries on the retirement rolls as of June 1, 1988, shall be increased by one and two-tenths percent (1.2%) of the allowance payable on June 1, 1988. This allowance shall be calculated on the basis of the allowance payable and in effect on June 30, 1988, so as not to be compounded on any other increase payable under subsection (k) of this section or otherwise granted by act of the 1987 Session of the General Assembly.

Sec. 8. G.S. 128-26(e) is amended in the first paragraph by deleting the phrase, "but sick leave shall not be counted in computing creditable service for the purpose of determining eligibility for service retirement, disability retirement, early retirement or for a vested deferred allowance" and substituting the phrase, "but sick leave shall not be counted in computing creditable service for the purpose of determining eligibility for disability retirement or for a vested deferred allowance."

Sec. 9. G.S. 135-4(e) is amended in the first paragraph by deleting the phrase ", but sick leave shall not be counted in computing creditable service for the purpose of determining eligibility for early retirement, disability retirement, or for a vested deferred allowance." and substituting the phrase ", but sick leave shall not be counted in computing creditable service for the purpose of determining eligibility for disability retirement or for a vested deferred allowance."

Sec. 10. In order to fund the provisions of this act, the Board of Trustees of the Teachers' and State Employees' Retirement System, with the advice of its consulting actuary, shall apply unencumbered actuarial gain remaining after application of such gain to cost-of-living increases for retired members and any other increases in retirement benefits contained in the 1988-89 Current Operating Appropriations Act, and shall reallocate the percentage of payroll contribution rates for employers among the normal and accrued liability contributions to the Retirement System without an increase in the total employer contribution rate and without an increase in the scheduled amortization period for liquidation of unfunded accrued liabilities of the Retirement System.

Sec. 11. In order to fund the provisions of this act, the Board of Trustees of the Local Governmental Employees' Retirement System, with the advice of its consulting actuary, shall apply unencumbered actuarial gain remaining after application of such gain to cost-of-living increases for retired members and any other increases in retirement

benefits contained in the 1988-89 Current Operating Appropriations Act before increasing the employer contribution rate to the Retirement System.

Sec. 11.1. G.S. 120-111.3 is amended in the first paragraph by adding a sentence to read: "Any bill referred to the Committee on Pensions and Retirement cannot be further considered by that house until such bill has received a favorable report, a report without prejudice, or has been recalled from that committee."

Sec. 11.2. The General Assembly hereby expresses its intent that no further changes in the benefit accrual rates of the Teachers' and State Employees' Retirement System or the Local Governmental Employees' Retirement System shall be made in the next biennium.

Sec. 12. This act shall become effective July 1, 1988.

In the General Assembly read three times and ratified this the 12th day of July, 1988.

S.B. 1676

CHAPTER 1111

AN ACT TO CLARIFY THE ADMINISTRATIVE RULES REVIEW COMMISSION'S STATUS AS AN INDEPENDENT AGENCY, TO EXTEND THE REVIEW OF CERTAIN EXISTING RULES, TO REPEAL CERTAIN OCCUPATIONAL SAFETY AND HEALTH STANDARDS THAT DIFFER FROM THE FEDERAL STANDARDS, TO REVISE THE PROCEDURAL REQUIREMENTS FOR ADOPTION OF CERTAIN OCCUPATIONAL SAFETY AND HEALTH STANDARDS AND THE HEARING PROCESS FOR APPEALS OF CERTAIN OCCUPATIONAL SAFETY AND HEALTH CITATIONS AND PENALTIES, TO CONTINUE THE STAFFING OF THE OFFICE OF ADMINISTRATIVE HEARINGS, TO ESTABLISH A CIVIL RIGHTS DIVISION IN THAT OFFICE AND TO MAKE OTHER AMENDMENTS TO CHAPTERS 7A, 84 AND 150B OF THE GENERAL STATUTES.

The General Assembly of North Carolina enacts:

Section 1. (a) The persons employed by the Office of Administrative Hearings on July 9, 1988, who were performing functions for the Administrative Rules Review Commission shall be employed by the Administrative Rules Review Commission at the same salary as they were earning on July 9, 1988, and their salary shall remain the same through June 30, 1989.

(b) The Administrative Rules Review Commission shall submit to the Office of State Budget and Management a proposed budget in line-item format for the 1989-91 biennium.

Sec. 2. G.S. 143B-30.1 is amended:

(1) By adding a sentence to the first paragraph to read: "The Commission is an independent agency under Article III, Section 11 of the Constitution.";

(2) By rewriting the third paragraph to read: "Any other provision of the General Statutes notwithstanding, the appointment of employees of the Commission shall be made by the Commission. Nothing in this Article shall be construed to exempt employees of the Commission from the State Personnel Act; and

(3) By adding a new paragraph at the end to read: "The Commission shall prescribe procedures and forms to be used in submitting rules to the Commission for review".

Sec. 3. G.S. 150B-63(e) is amended:

(1) By deleting "Notwithstanding G.S. 147-50", and substituting "Notwithstanding Article 1A of Chapter 125 of the General Statutes";

(2) By inserting immediately before the words "one copy each to the clerk of the Supreme Court", the words "one copy to the Administrative Rules Review Commission;" ; and

(3) By deleting "147-50.1" and substituting "125-11.7".

Sec. 4. G.S. 150B-59(c) reads as rewritten:

"(c) Rules adopted by an agency subject to the provisions of Article 2 of this Chapter in effect on January 1, 1986, that conflict with or violate the provisions of G.S. 150B-9(c) are repealed. Rules adopted by an agency subject to the provisions of Article 2 of this Chapter in effect on September 1, 1986, that do not conflict with or violate the provisions of G.S. 150B-9(c) shall remain in effect until July 15, 1988. These rules are repealed effective July 16, 1988, unless the Administrative Rules Review Commission determines that a rule complies with G.S. 143B-30.2(a). Provided, however, that:

- (1) The rules of the Office of State Personnel and the occupational licensing boards shall remain in effect until February 28, 1989, but are repealed effective March 1, 1989, unless approved by the Administrative Rules Review Commission.
- (2) The rules of the Department of Human Resources shall remain in effect until June 30, 1989, but are repealed effective July 1, 1989, unless approved by the Administrative Rules Review Commission.
- (3) Although the Department of Cultural Resources, the Office of the Governor, and the Council of State did not file the reports required under Chapter 746, Session Laws of 1985, nevertheless the rules of these three agencies shall remain in effect until February 28, 1989, but are repealed effective

March 1, 1989, unless approved by the Administrative Rules Review Commission.

Review of these rules shall be carried out in the manner prescribed in G.S. 143B-30.2 except that a rule determined to be in compliance shall remain in effect. In the event of rules which the Commission determines do not comply with G.S. 143B-30.2, such rules may be revised or repealed by the agency without a rulemaking hearing in accordance with G.S. 150B-12(h). Revised rules shall be returned to the Commission. If the Commission approves the rules, the Commission shall notify the agency and file the rules with the Office of Administrative Hearings. Rules adopted on or after January 1, 1986, shall become effective as provided in this Chapter."

Sec. 5. G.S. 150B-23 is amended by adding a new subsection to read:

"(f) Unless another statute or a federal statute or regulation sets a time limitation for the filing of a petition in contested cases against a specified agency, the general limitation for the filing of a petition in a contested case is 60 days. The time limitation, whether established by another statute, federal statute, or federal regulation, or this section, shall commence when notice is given of the agency decision to all persons aggrieved who are known to the agency by personal delivery or by the placing of the notice in an official depository of the United States Postal Service wrapped in a wrapper addressed to the person at the latest address given by the person to the agency. The notice shall be in writing, and shall set forth the agency action, and shall inform the persons of the right, the procedure, and the time limit to file a contested case petition."

Sec. 6. G.S. 130A-294(f) is amended by adding the following sentences at the end of the second paragraph of the subsection to read:

"The Department may impose conditions in a permit in response to these factors. The Department's denial of an application shall be in writing, shall state the reasons for the denial, and shall inform the applicant of the right to appeal the denial."

Sec. 7. G.S. 95-131 is amended by adding a new subsection at the end to read:

"(f) Notwithstanding any other provision of this section, in the event the Commissioner shall develop any rule, regulation, scope, or standard for agricultural employers which differs from the federal regulations or standards, he shall promulgate these rules, standards and regulations pursuant to Articles 2 and 5 of Chapter 150B and Part 3 of Article 1 of Chapter 143B."

Sec. 8. G.S. 95-131 is amended by adding another new subsection at the end to read:

"(g) Any rule, regulation, scope, or standard for agricultural employers adopted or promulgated prior to July 12, 1988, that differs from the federal rule, regulation, scope, or standard is repealed effective September 1, 1989, unless readopted pursuant to Chapter 150B of the General Statutes."

Sec. 9. G.S. 150B-1(d) is amended by adding after the words "the Occupational Safety and Health Review Board" the words "in all actions that do not involve agricultural employers".

Sec. 10. G.S. 95-135 is amended by adding a new subsection to read:

"(j) Notwithstanding any other provision of this section, appeals from citations and abatement periods that involve agricultural employers and from all types of penalties that involve agricultural employers shall be subject to the provisions of Articles 3 and 4 of Chapter 150B. The determination of the Board in accordance with G.S. 150B-36 shall be a final agency decision subject to judicial review in accordance with Article 4 of Chapter 150B."

Sec. 11. G.S. 95-137(b) is amended by adding a new subdivision to read:

"(5) Notwithstanding subdivision (4) of this section, if an agricultural employer notifies the Director that he intends to contest a citation issued under the provisions of this Article or notification issued under the provisions of this Article, or if, within 15 working days of the receipt of a citation under this Article, any employee of an agricultural employer or the employee's representative files a notice with the Director alleging that the period of time fixed in the citation for the abatement of the violation is unreasonable, the Director shall immediately advise the person giving such notice of his right to file a petition for a contested case under the provisions of Article 3 of Chapter 150B. Upon showing by an employer of a good faith effort to comply with the abatement requirements of a citation, and that an abatement has not been completed because of factors beyond his reasonable control, the administrative law judge, after an opportunity for a hearing as provided in Article 3 of Chapter 150B, may issue an order affirming or modifying the abatement requirements in such citation. Affected employees or representatives of affected employees shall be considered aggrieved persons under G.S. 150B-23 for contested cases under this section."

Sec. 12. G.S. 95-138(a) is amended:

(1) In the fourth sentence by deleting "review", and substituting "appeal"; and

(2) In the seventh sentence by deleting "a review", and substituting "an appeal".

Sec. 13. Subsections (a) and (b) of Section 68 of Chapter 830 of the 1987 Session Laws are reenacted, except that the following changes are made in the number, classifications, and grades of employees of the Office of Administrative Hearings:

<u>Classification</u>	<u>Grade</u>	<u>Number</u>
PRESENT:		
Executive Legal Specialist	80	1
CHANGED TO:		
Director of APA Services	78	1
PRESENT:		
Assistant Director	77	1
CHANGED TO:		
Director, Civil Rights Division	77	1
PRESENT:		
Administrative Legal Specialist	77	1
Mediation Supervisor	76	1
CHANGED TO:		
Senior Civil Rights Investigator	75	2
PRESENT:		
Mediation Specialist	74	2
CHANGED TO:		
Civil Rights Investigator	73	3
PRESENT:		
Internal Auditor II	74	1
CHANGED TO:		
Director of Administrative Services	74	1
PRESENT:		
Administrative Services Manager	73	1
CHANGED TO:		
Fiscal Officer	73	1
PRESENT:		
Clerk/Typist V	61	4
CHANGED TO:		
Clerk/Typist V	61	3

PRESENT:		
Records Clerk V	61	1
CHANGED TO:		
Records Clerk V	61	2
PRESENT:		
Word Processor IV	59	3
CHANGED TO:		
Word Processor IV	59	2
PRESENT:		
Clerk IV	59	1
CHANGED TO:		
Clerk IV	59	2
DELETE:		
Clerk/Receptionist III	57	1.

Sec. 14. (a) Subsection (c) of this section is required by the Federal Equal Employment Opportunity Commission in order for the State to continue to be a deferral agency.

(b) G.S. 7A-751 is rewritten to read:

" § 7A-751. *Agency head; powers and duties.*--The head of the Office of Administrative Hearings is the Chief Administrative Law Judge. He shall serve as Director and have the powers and duties conferred on him by this Chapter and the Constitution and laws of this State. His salary shall be fixed by the General Assembly in the Current Operations Appropriations Act."

(c) Article 60 of Chapter 7A of the General Statutes is amended by adding a new section to read:

" § 7A-759. *Role as deferral agency.*--(a) The Office of Administrative Hearings is designated to serve as the State's deferral agency for cases deferred by the Equal Employment Opportunity Commission to the Office of Administrative Hearings as provided in Section 706 of the Civil Rights Act of 1964, 42 U.S.C. 2000e-5, or the Age Discrimination in Employment Act, 29 U.S.C. 621 for charges filed by State or local government employees covered under Chapter 126 of the General Statutes and shall have all of the powers and authority necessary to function as a deferral agency.

(b) The Chief Administrative Law Judge is authorized and directed to contract with the Equal Employment Opportunity Commission for the Office of Administrative Hearings to serve as a deferral agency and to establish and maintain a Civil Rights Division in the Office of Administrative Hearings to carry out the functions of a deferral agency.

(c) In investigating charges an employee of the Civil Rights Division of the Office of Administrative Hearings specifically designated by an order of the Chief Administrative Law Judge filed in the pending case may administer oaths and affirmations.

(d) Any charge not resolved by informal methods of conference, conciliation or persuasion shall be heard as a contested case as provided in Article 3 of Chapter 150B of the General Statutes.

(e) Notwithstanding G.S. 150B-34 and G.S. 150B-36, an order entered by an administrative law judge after a contested case hearing on the merits of a deferred charge is a final agency decision and is binding on the parties. The administrative law judge may order whatever remedial action is appropriate to give full relief consistent with the requirements of federal statutes or regulations.

(f) In addition to the authority vested in G.S. 7A-756 and G.S. 150B-33, an administrative law judge may monitor compliance with any negotiated settlement, conciliation agreement or order entered in a deferred case.

(g) The standards of confidentiality established by federal statute or regulation for discrimination charges shall apply to deferred cases investigated or heard by the Office of Administrative Hearings.

(h) Nothing in this section shall be construed as limiting the authority or right of any federal agency to act under any federal statute or regulation."

Sec. 15. G.S. 7A-752 is amended by deleting the second paragraph and inserting in lieu thereof:

"The Chief Administrative Law Judge shall designate one administrative law judge as senior administrative law judge. The senior administrative law judge may perform the duties of Chief Administrative Law Judge if the Chief Administrative Law Judge is absent or unable to serve temporarily for any reason."

Sec. 17. G.S. 150B-2(8a) is amended by adding the words "within the same principal office or department enumerated in G.S. 143A-11 or 143B-6" after the word "agencies" the first time it appears.

Sec. 18. G.S. 150B-33(b)(8) is rewritten to read:

"(8) Enter an order returnable in the General Court of Justice, Superior Court Division, to show cause why the person should not be held in contempt. The Court shall have the power to impose punishment as for contempt for any act which would constitute direct or indirect contempt if the act occurred in an action pending in Superior Court."

Sec. 19. G.S. 150B-33(b) is amended by adding a new subdivision to read:

"(10) Impose the sanctions provided for in G.S. 1A-1 or Chapter 3 of Title 26 of the North Carolina Administrative Code for noncompliance with applicable procedural rules."

Sec. 20. G.S. 150B-36 is amended by adding a new subsection (c) to read:

"(c) A determination by an administrative law judge in a contested case that the Office of Administrative Hearings lacks jurisdiction, or an order entered pursuant to the authority in G.S. 7A-759(e) shall constitute a final decision."

Sec. 21. G.S. 150B-34(a) reads as rewritten:

"(a) ~~In a contested case,~~ Except as provided in G.S. 150B-36(c), in each contested case the administrative law judge shall make a recommended decision or order that contains findings of fact and conclusions of law."

Sec. 23. G.S. 150B-61 is amended by adding a new subsection to read:

"(c) The agency shall be responsible for notifying the Director within 30 days after a rule becomes effective of any typographical or technical error in the rule as codified. The Director shall correct the codified rule if it differs from the rule as adopted by the agency. Errors in any rule discovered more than 30 days after codification shall be changed only by the procedures established by Article 2 of this Chapter."

Sec. 24. G.S. 7A-753 is amended by adding a sentence to the first paragraph to read:

"No person shall be appointed or designated an administrative law judge except as provided in this Article."

Sec. 25. G.S. 7A-752, 7A-753, 7A-755, 7A-757, and 7A-758 are each amended by changing the word "Director" to the words "Chief Administrative Law Judge" each time they appear.

Sec. 26. Section 5 of this act shall become effective with respect to agency decisions made on or after October 1, 1988. Sections 9 through 12 shall apply to citations and notifications issued and to notices filed under Article 16 of Chapter 95 on or after October 1, 1988. Sections 14 and 18 through 21 shall apply to contested cases or charges pending in the Office of Administrative Hearings on or after the date of ratification of this act. Section 20 of this act is effective upon ratification. The remainder of this act shall become effective July 1, 1988.

In the General Assembly read three times and ratified this the 12th day of July, 1988.

H.B. 2489

CHAPTER 1112

AN ACT TO ESTABLISH THE OFFENSE OF IMPAIRED DRIVING IN COMMERCIAL MOTOR VEHICLES, TO ASSESS A FEE FOR LICENSE REVOCATION FOR THE OFFENSE, AND TO INCREASE THE FEE FOR A CLASS A OR CLASS B LICENSE.

The General Assembly of North Carolina enacts:

Section 1. G.S. 20-4.01 is amended by adding a new subdivision to read:

"(3c) 'Commercial Motor Vehicle.' A vehicle: (a) which requires the driver to possess a valid Class A or Class B driver's license, or a similar driver's license issued by another state; or (b) which is a school bus, school activity bus, church bus, farm bus, ambulance, volunteer transportation vehicle, activity bus operated for a nonprofit organization when the activity bus is operated for a nonprofit purpose, or a fire-fighting vehicle or combination of vehicles when operated by any volunteer member of a municipal or rural fire department in the performance of his duty."

Sec. 2. G.S. 20-4.01 is amended by adding a new subdivision to read:

"(12a) Gross Vehicle Weight.--The gross vehicle weight is the registered or declared weight of the vehicle. If no weight is registered or declared, then the gross vehicle weight is the actual weight of the vehicle."

Sec. 3. G.S. 20-4.01(24a) reads as rewritten:

"(24a) Offense Involving Impaired Driving. -- Any of the following offenses:

- a. Impaired driving under G.S. 20-138.1.
- b. Death by vehicle under G.S. 20-141.4 when conviction is based upon impaired driving or a substantially equivalent offense under previous law.
- c. Second degree murder under G.S. 14-17 or involuntary manslaughter under G.S. 14-18 when conviction is based upon impaired driving or a substantially equivalent offense under previous law.
- d. An offense committed in another jurisdiction substantially equivalent to the offenses in subparagraphs a through c.
- e. A repealed or superseded offense substantially equivalent to impaired driving, including offenses under former G.S. 20-138 or G.S. 20-139.
- f. Impaired driving in a commercial motor vehicle under G.S. 20-138.2, except that convictions of impaired driving under

G.S. 20-138.1 and G.S. 20-138.2 arising out of the same transaction shall be considered a single conviction of an offense involving impaired driving for any purpose under this Chapter.

A conviction under former G.S. 20-140(c) is not an offense involving impaired driving."

Sec. 4. G.S. 20-7(a) reads as rewritten:

"(a) Except as otherwise provided in this Article, no person shall operate a motor vehicle on a highway unless such person has first been licensed by the Division under the provisions of this Article for the type or class of vehicle being driven. Drivers' licenses shall be classified as follows:

- (1) Class 'A' which entitles a licensee to drive any vehicle or combination of vehicles, except motorcycles, including all vehicles under Classes 'B' or 'C.'
- (2) Class 'B' which entitles a licensee to drive a single vehicle weighing over ~~30,000~~ 26,000 pounds gross vehicle weight, any such vehicle towing a vehicle weighing 10,000 pounds gross vehicle weight or less, a single vehicle designed to carry more than 12 passengers and all vehicles under Class 'C.' A Class 'B' license does not entitle the licensee to drive a motorcycle.
- (3) Class 'C' which entitles a licensee to drive a single vehicle weighing ~~30,000~~ 26,000 pounds gross vehicle weight or less; any such vehicle towing a vehicle weighing 10,000 pounds gross vehicle weight or less; a church bus, farm bus, volunteer transportation vehicle, or activity bus operated for a nonprofit organization when the activity bus is operated for a nonprofit purpose; and a fire-fighting vehicle or combination of vehicles (regardless of gross vehicle weight) when operated by any volunteer member of a municipal or rural fire department in the performance of his duty. A Class 'C' license does not entitle the licensee to drive a motorcycle. A Class 'C' license does not entitle the licensee to drive a vehicle designed to carry more than ~~12~~ 15 passengers unless this subsection or G.S. 20-218(a) specifically entitles him to do so.

The driver of any vehicle transporting hazardous materials as determined by Sec. 103 of The Hazardous Material Transportation Act, as amended, must possess a Class A or a Class B driver's license.

Any unusual vehicle shall be assigned by the Commissioner to the most appropriate class with suitable special restrictions if they appear to be necessary.

Any person who takes up residence in this State on a permanent basis is exempt from the provisions of this subsection for 30 days from the date that residence is established, if he is properly licensed in the jurisdiction of which he is a former resident."

Sec. 5. G.S. 20-7(i) reads as rewritten:

"(i) The fee for issuance or reissuance of a Class 'C' license is ten dollars (\$10.00). The fee for issuance or reissuance of a Class 'B' or Class 'A' license is ~~fifteen dollars (\$15.00)~~ twenty dollars (\$20.00). A person receiving at the same time a driver's license and an endorsement pursuant to G.S. 20-7(a1) shall be charged only the fee required for the class of driver's license he is receiving."

Sec. 6. G.S. 20-16.2(a)(4) reads as rewritten:

"(4) If any test reveals an alcohol concentration of 0.10 or more, h
His driving privilege will be revoked immediately for at least 10 days,
if:

- a. The test reveals an alcohol concentration of 0.10 or more, or
- b. He was driving a commercial motor vehicle and the test reveals an alcohol concentration of 0.04 or more."

Sec. 7. G.S. 20-16.2(i)(2) reads as rewritten:

"(2) That his license will be revoked for at least 10 days if:

- a. The test reveals an alcohol concentration of 0.10 or more;
and or
- b. He was driving a commercial motor vehicle and the test results reveal an alcohol concentration of 0.04 or more."

Sec. 8. The catch line of G.S. 20-16.5(b) reads as rewritten:
"Revocations for Persons Who Refuse Chemical Analyses or Have Alcohol Concentrations of ~~0.10~~ 0.04 or More.--"

Sec. 9. G.S. 20-16.5(b)(4) reads as rewritten:

"(4) The person:

- a. Willfully refuses to submit to the chemical analysis; or
- b. Has an alcohol concentration of 0.10 or more within a relevant time after the driving; or
- c. Has an alcohol concentration of 0.04 or more within a relevant time after the driving of a commercial motor vehicle."

Sec. 10. G.S. 20-16.5(b1)(2) reads as rewritten:

"(2) He has, ~~at any relevant time after the driving, a:~~

- a. An alcohol concentration of 0.10 or more at any relevant time after the driving; or
- b. An alcohol concentration of 0.04 or more at any relevant time after the driving of a commercial motor vehicle; and"

Sec. 11. G.S. 20-16.5(j) reads as rewritten:

"(j) Costs.--Unless the magistrate or judge orders the revocation rescinded, a person whose license is revoked under this section must

pay a fee of twenty-five dollars (\$25.00) as costs for the action before his license may be returned under subsection (h)-; provided, however, if the revocation is pursuant to G.S. 20-16.5(b)(4)c. or G.S. 20-16.5(b1)(2)b., the fee shall be fifty dollars (\$50.00). The costs collected under this section go to the State."

Sec. 12. Article 2 of Chapter 20 of the General Statutes is amended by adding a new section to read:

"§ 20-17.4. *Mandatory Revocation of a Class A or Class B License.*-- The Division shall forthwith revoke the Class A or Class B license of any driver upon receiving a record of a final conviction of such driver for impaired driving in a commercial vehicle under G.S. 20-138.2. Under this section only, a final conviction of any driver for violating G.S. 20-138.1 shall not be grounds for revoking the license of such driver."

Sec. 13. G.S. 20-19 is amended by adding a new subsection to read:

"(c2) When a license is revoked under G.S. 20-17.4, the period of suspension shall be for one year for the first conviction of G.S. 20-138.2, 10 years for the second conviction of G.S. 20-138.2, and for life for a third or subsequent conviction of G.S. 20-138.2. This period of suspension applies only to a Class A or Class B license and not to a Class C license."

Sec. 14. G.S. 20-26 is amended by adding a new subsection to read:

"(b1) The registered or declared weight set forth on the vehicle registration card or a certified copy of the Division record sent by the Police Information Network or otherwise is admissible in any judicial or administrative proceeding and shall be **prima facie** evidence of the registered or declared weight."

Sec. 15. Chapter 20 of the General Statutes is amended by adding a new section to read:

"§ 20-138.2. *Impaired driving in commercial vehicle.*--(a) Offense.--A person commits the offense of impaired driving in a commercial motor vehicle if he drives a commercial motor vehicle upon any highway, any street, or any public vehicular area within the State:

- (1) While appreciably under the influence of an impairing substance; or
- (2) After having consumed sufficient alcohol that he has, at any relevant time after the driving, an alcohol concentration of 0.04 or more.

(b) Defense Precluded.--The fact that a person charged with violating this section is or has been legally entitled to use alcohol or a drug is not a defense to a charge under this section.

(c) Pleading.--To charge a violation of this section, the pleading is sufficient if it states the time and place of the alleged offense in the usual form and charges the defendant drove a commercial motor vehicle on a highway, street, or public vehicular area while subject to an impairing substance.

(d) Implied Consent Offense.--An offense under this section is an implied consent offense subject to the provisions of G.S. 20-16.2.

(e) Punishment; Effect When Impaired Driving Offense Also Charged.--The offense in this section is a misdemeanor punishable by a fine of not less than one hundred dollars (\$100.00), up to two years imprisonment, or both. This offense is not a lesser included offense of impaired driving under G.S. 20-138.1, but if a person is convicted under this section and of an offense involving impaired driving under G.S. 20-138.1 arising out of the same transaction, the aggregate punishment imposed by the Court may not exceed the maximum punishment applicable to the offense involving impaired driving under G.S. 20-138.1.

(f) Limited Driving Privilege.--A person convicted of the offense of impaired driving under this section is eligible for a limited driving privilege if:

- (1) At the time of the offense he held either a valid driver's license or a license that had been expired for less than one year;
- (2) At the time of the offense he had not within the preceding seven years been convicted of an offense involving impaired driving;
- (3) Subsequent to the offense he has not been convicted of, or had an unresolved charge lodged against him for, an offense involving impaired driving.
- (4) The court finds slight impairment of the defendant's faculties, and an alcohol concentration that did not exceed .10 at any relevant time after the driving.

The limited driving privilege under this section shall be issued for the purposes specified in G.S. 20-179.3(a) and according to the procedure in G.S. 20-179.3(d) and G.S. 20-179.3(f)-(k).

(g) The provisions of G.S. 20-139.1 shall apply to the offense of impaired driving in a commercial motor vehicle."

Sec. 16. G.S. 20-138.4 reads as rewritten:

"§ 20-138.4. Requirement that prosecutor explain reduction or dismissal of charge involving impaired driving.--In any case in which a person is charged with an offense involving impaired driving, Any prosecutor must enter detailed facts in the record of any case involving impaired driving explaining the reasons for his action if he:

- (1) Enters a voluntary dismissal; or
- (2) Accepts a plea of guilty or no contest to a lesser included offense; or
- (3) Substitutes another charge, by statement of charges or otherwise, if the substitute charge carries a lesser mandatory minimum punishment or is not an offense involving impaired driving; or
- (4) Otherwise takes a discretionary action that effectively dismisses or reduces the original charge in the case involving impaired driving.

General explanations such as 'interests of justice' or 'insufficient evidence' are not sufficiently detailed to meet the requirements of this section."

Sec. 17. This act shall become effective June 1, 1989. This act shall expire June 30, 1989. Provided, any person with a Class C license issued before the effective date of this act may continue to operate any vehicle for which he was authorized prior to the effective date of this act and until his license expires. Provided, further, any driver covered by the preceding sentence shall be subject to the provisions of this act and upon conviction of a violation of G.S. 20-138.2 while possessing a Class C license shall, if otherwise entitled, have a new Class C license issued which shall not authorize the operation of a commercial motor vehicle. Nothing in this section shall be construed to exempt a vehicle from the definition of commercial motor vehicle merely because the driver was authorized to operate it while possessing a Class C license issued prior to June 1, 1989.

In the General Assembly read three times and ratified this the 12th day of July, 1988.

RESOLUTIONS

S.J.R. 1588

RESOLUTION 38

A JOINT RESOLUTION AUTHORIZING THE 1987 GENERAL ASSEMBLY, 1988 SESSION, TO CONSIDER A BILL TO BE ENTITLED AN ACT TO MAKE PERMANENT AN ACT PERMITTING GRAND JURIES TO INVESTIGATE DRUG TRAFFICKING, AND CONCERNING CRIMINAL CONTEMPT AND IMMUNITY.

Be it resolved by the Senate, the House of Representatives concurring:

Section 1. The 1987 General Assembly, Regular Session 1988, may consider "A BILL TO BE ENTITLED AN ACT TO MAKE PERMANENT AN ACT PERMITTING GRAND JURIES TO INVESTIGATE DRUG TRAFFICKING, AND CONCERNING CRIMINAL CONTEMPT AND IMMUNITY".

Sec. 2. This resolution is effective upon ratification.

In the General Assembly read three times and ratified this the 17th day of June, 1988.

S.J.R. 1643

RESOLUTION 39

A JOINT RESOLUTION AUTHORIZING THE 1987 GENERAL ASSEMBLY, 1988 SESSION, TO CONSIDER A BILL TO BE ENTITLED AN ACT TO CONFORM THE GENERAL STATUTES TO AN OPINION OF THE UNITED STATES SUPREME COURT BY REQUIRING NOTICE TO KNOWN CREDITORS OF THE LAST DATE FOR PRESENTATION OF CLAIMS AGAINST A DECEDENT'S ESTATE AS RECOMMENDED BY THE GENERAL STATUTES COMMISSION.

Be it resolved by the Senate, the House of Representatives concurring:

Section 1. The 1987 General Assembly, Regular Session 1988, may consider "A BILL TO BE ENTITLED AN ACT TO CONFORM

Resolutions — 1988

THE GENERAL STATUTES TO AN OPINION OF THE UNITED STATES SUPREME COURT BY REQUIRING NOTICE TO KNOWN CREDITORS OF THE LAST DATE FOR PRESENTATION OF CLAIMS AGAINST A DECEDENT'S ESTATE AS RECOMMENDED BY THE GENERAL STATUTES COMMISSION."

Sec. 2. This resolution is effective upon ratification.

In the General Assembly read three times and ratified this the 17th day of June, 1988.

S.J.R. 1644

RESOLUTION 40

A JOINT RESOLUTION AUTHORIZING THE 1987 GENERAL ASSEMBLY, 1988 SESSION, TO CONSIDER A BILL TO BE ENTITLED AN ACT TO ALLOW THE DISTRICT COURT TO SIT IN HAVELOCK.

Be it resolved by the Senate, the House of Representatives concurring:

Section 1. The 1987 General Assembly, Regular Session 1988, may consider "A BILL TO BE ENTITLED AN ACT TO ALLOW THE DISTRICT COURT TO SIT IN HAVELOCK."

Sec. 2. This resolution is effective upon ratification.

In the General Assembly read three times and ratified this the 17th day of June, 1988.

H.J.R. 2613

RESOLUTION 41

A JOINT RESOLUTION AUTHORIZING THE 1987 GENERAL ASSEMBLY, 1988 SESSION, TO CONSIDER BILLS RELATING TO PROJECTS AT THE UNIVERSITY OF NORTH CAROLINA.

Be it resolved by the House of Representatives, the Senate concurring:

Section 1. The 1987 General Assembly, Regular Session 1988, may consider:

(1) "A BILL TO BE ENTITLED AN ACT TO AUTHORIZE THE CONSTRUCTION AND THE FINANCING, WITHOUT APPROPRIATIONS FROM THE GENERAL FUND, OF CERTAIN CAPITAL IMPROVEMENT PROJECTS OF THE UNIVERSITY OF NORTH CAROLINA"; AND

(2) "A BILL TO BE ENTITLED AN ACT TO AMEND CHAPTER 806 OF THE 1987 SESSION LAWS ONLY WITH RESPECT TO PROJECTS WHOLLY SELF-LIQUIDATING".

Sec. 2. This resolution is effective upon ratification.

Resolutions — 1988

In the General Assembly read three times and ratified this the 17th day of June, 1988.

S.J.R. 1699

RESOLUTION 42

A JOINT RESOLUTION AUTHORIZING THE 1987 GENERAL ASSEMBLY, 1988 SESSION, TO CONSIDER "A BILL TO BE ENTITLED AN ACT TO AMEND THE DEFINITION OF RURAL AREA CONTAINED IN AN ACT TO AUTHORIZE THE CREATION OF NORTH CAROLINA ENTERPRISE CORPORATIONS."

Be it resolved by the Senate, the House of Representatives concurring:

Section 1. The 1987 General Assembly, Regular Session 1988, may consider "A BILL TO BE ENTITLED AN ACT TO AMEND THE DEFINITION OF RURAL AREA CONTAINED IN AN ACT TO AUTHORIZE THE CREATION OF NORTH CAROLINA ENTERPRISE CORPORATIONS."

Sec. 2. This resolution is effective upon ratification.

In the General Assembly read three times and ratified this the 21st day of June, 1988.

H.J.R. 2646

RESOLUTION 43

A JOINT RESOLUTION AUTHORIZING THE 1987 GENERAL ASSEMBLY, 1988 SESSION, TO CONSIDER A BILL TO BE ENTITLED AN ACT TO ESTABLISH THE REQUIREMENTS OF ELIGIBILITY FOR INTERMENT IN A STATE VETERANS CEMETERY.

Be it resolved by the House of Representatives, the Senate concurring:

Section 1. The 1987 General Assembly, Regular Session 1988, may consider "A BILL TO BE ENTITLED AN ACT TO ESTABLISH THE REQUIREMENTS OF ELIGIBILITY FOR INTERMENT IN A STATE VETERANS CEMETERY."

Sec. 2. This resolution is effective upon ratification.

In the General Assembly read three times and ratified this the 23rd day of June, 1988.

Resolutions — 1988

H.J.R. 2649

RESOLUTION 44

A JOINT RESOLUTION AUTHORIZING THE 1987 GENERAL ASSEMBLY, 1988 SESSION, TO CONSIDER A BILL TO BE ENTITLED AN ACT TO CORRECT THE DATES FOR THE PHASE-IN OF THE MODIFIED SYSTEM FOR ADJUSTING THE ASSESSMENT LEVEL OF PUBLIC SERVICE COMPANY SYSTEM PROPERTY.

Be it resolved by the House of Representatives, the Senate concurring:

Section 1. The 1987 General Assembly, Regular Session 1988, may consider: "A BILL TO BE ENTITLED AN ACT TO CORRECT THE DATES FOR THE PHASE-IN OF THE MODIFIED SYSTEM FOR ADJUSTING THE ASSESSMENT LEVEL OF PUBLIC SERVICE COMPANY SYSTEM PROPERTY."

Sec. 2. This resolution is effective upon ratification.

In the General Assembly read three times and ratified this the 23rd day of June, 1988.

H.J.R. 2604

RESOLUTION 45

A JOINT RESOLUTION AUTHORIZING THE 1987 GENERAL ASSEMBLY, 1988 SESSION, TO CONSIDER A BILL TO BE ENTITLED AN ACT TO EXEMPT MOTORIZED WHEELCHAIRS FROM THE DEFINITION OF "VEHICLE" IN CHAPTER 20 OF THE GENERAL STATUTES.

Be it resolved by the House of Representatives, the Senate concurring:

Section 1. The 1987 General Assembly, Regular Session 1988, may consider "A BILL TO BE ENTITLED AN ACT TO EXEMPT MOTORIZED WHEELCHAIRS FROM THE DEFINITION OF "VEHICLE" IN CHAPTER 20 OF THE GENERAL STATUTES".

Sec. 2. This resolution is effective upon ratification.

In the General Assembly read three times and ratified this the 24th day of June, 1988.

H.J.R. 2182

RESOLUTION 46

A JOINT RESOLUTION AUTHORIZING THE 1987 GENERAL ASSEMBLY, 1988 SESSION, TO CONSIDER A BILL TO BE ENTITLED AN ACT TO REENACT SECTION 1 OF CHAPTER 446, SESSION LAWS OF 1987, PROHIBITING CERTAIN INVESTMENTS IN CERTAIN COMPANIES INVOLVED IN

SOUTH AFRICA WHICH WAS INADVERTENTLY REPEALED BY SECTION 5 OF CHAPTER 751, SESSION LAWS OF 1987, A REWRITE OF THE INVESTMENT POWERS OF THE STATE TREASURER.

Be it resolved by the House of Representatives, the Senate concurring:

Section 1. The 1987 General Assembly, Regular Session 1988, may consider "A BILL TO BE ENTITLED AN ACT TO REENACT SECTION 1 OF CHAPTER 446, SESSION LAWS OF 1987, PROHIBITING CERTAIN INVESTMENTS IN CERTAIN COMPANIES INVOLVED IN SOUTH AFRICA WHICH WAS INADVERTENTLY REPEALED BY SECTION 5 OF CHAPTER 751, SESSION LAWS OF 1987, A REWRITE OF THE INVESTMENT POWERS OF THE STATE TREASURER."

Sec. 2. This resolution is effective upon ratification.

In the General Assembly read three times and ratified this the 27th day of June, 1988.

H.J.R. 2475

RESOLUTION 47

A JOINT RESOLUTION AUTHORIZING THE 1987 GENERAL ASSEMBLY, 1988 SESSION, TO CONSIDER "A BILL TO BE ENTITLED AN ACT TO PROVIDE THAT AN ADMISSION FEE MAY BE CHARGED FOR THE THREE NORTH CAROLINA AQUARIUMS AND THAT THOSE FEES SHALL BE USED BY THE NORTH CAROLINA AQUARIUM SOCIETY TO PLAN, CONSTRUCT, OPERATE, AND SUPPORT LIVE MARINE MAMMAL PAVILIONS AND REHABILITATION FACILITIES AT THE NORTH CAROLINA AQUARIUMS."

Be it resolved by the House of Representatives, the Senate concurring:

Section 1. The 1987 General Assembly, Regular Session 1988, may consider "A BILL TO BE ENTITLED AN ACT TO PROVIDE THAT AN ADMISSION FEE MAY BE CHARGED FOR THE THREE NORTH CAROLINA AQUARIUMS AND THAT THOSE FEES SHALL BE USED BY THE NORTH CAROLINA AQUARIUM SOCIETY TO PLAN, CONSTRUCT, OPERATE, AND SUPPORT LIVE MARINE MAMMAL PAVILIONS AND REHABILITATION FACILITIES AT THE NORTH CAROLINA AQUARIUMS."

Sec. 2. This resolution is effective upon ratification.

In the General Assembly read three times and ratified this the 27th day of June, 1988.

S.J.R. 1842

RESOLUTION 48

A JOINT RESOLUTION AUTHORIZING THE 1987 GENERAL ASSEMBLY, 1988 SESSION, TO CONSIDER A BILL TO BE ENTITLED AN ACT TO PROVIDE FOR THE USE OF PEN REGISTERS AND TRAP AND TRACE DEVICES IN CONFORMITY WITH FEDERAL LAW.

Be it resolved by the Senate, the House of Representatives concurring:

Section 1. The 1987 General Assembly, Regular Session 1988, may consider "A BILL TO BE ENTITLED AN ACT TO PROVIDE FOR THE USE OF PEN REGISTERS AND TRAP AND TRACE DEVICES IN CONFORMITY WITH FEDERAL LAW."

Sec. 2. This resolution is effective upon ratification.

In the General Assembly read three times and ratified this the 6th day of July, 1988.

S.J.R. 1869

RESOLUTION 49

A JOINT RESOLUTION PROVIDING FOR ADJOURNMENT *SINE DIE* OF THE GENERAL ASSEMBLY.

Be it resolved by the Senate, the House of Representatives concurring:

Section 1. The Senate and House of Representatives constituting the General Assembly of 1987 do adjourn *sine die*, on Tuesday, July 12, 1988, at 6:00 P.M. The 1989 Regular Session shall convene at 12:00 noon on the date set by law.

Sec. 2. This resolution is effective upon ratification.

In the General Assembly read three times and ratified this the 12th day of July, 1988.

STATE OF NORTH CAROLINA
DEPARTMENT OF STATE,
RALEIGH, JULY 12, 1988

I, THAD EURE, Secretary of State of North Carolina, hereby certify that the foregoing volume was printed under the direction of the Legislative Services Commission from ratified acts and resolutions on file in the office of the Secretary of State.



Thad Eure, Secretary of State

APPENDIX

EXECUTIVE ORDERS OF GOVERNOR JAMES G. MARTIN

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State of North Carolina



JAMES G. MARTIN
GOVERNOR

EXECUTIVE ORDER NUMBER 54 COORDINATED PLANNING FOR EMPLOYMENT AND TRAINING PROGRAMS

As Governor of North Carolina, it has been made to appear to me upon satisfactory information furnished to me as follows:

1. The North Carolina Job Training Coordinating Council, hereafter referred to as "the Council", was established according to the requirements of the Job Training Partnership Act to oversee the State's employment and training programs and to advise the Governor on the State's employment and training policies;

2. The Governor has established, in accordance with requirements outlined in the Job Training Partnership Act, criteria for coordinating programs funded under JTPA with programs and services provided by State and local education and training agencies;

3. The Council's Interagency Coordinating Committee, hereafter referred to as "the Committee", comprised of representatives from State agencies involved in employment and training, has been studying ways to eliminate barriers to effective coordination of all programs related to job training;

4. The Committee has identified varying planning cycles and programs for involved agencies occurring throughout the calendar year and these disparate planning period constitute a major barrier to effective coordination;

5. The Committee and the Council have recommended that the period of January through March of each calendar year be designated as a uniform planning period for all employment and training activities in the State.

NOW, THEREFORE, under and by the authority vested in me as Governor of the State of North Carolina, I do hereby order and direct as follows:

Section 1. The period of January through March of each calendar year is hereby designated as the uniform planning period for all employment and training activities in the State.

Section 2. All State and local agencies, including service delivery areas involved in employment and training activities, including those designated in the Coordination Criteria, shall accomplish their planning, both independently and in concert with each other, during this period, except where such is prohibited by statute or regulation.

Section 3. I commend the agencies for their efforts to provide coordinated employment and training related services in

the most effective, wide-reaching and cost effective manner to the citizens of North Carolina.

This Order shall be effective immediately.

This the 25th day of August, 1987.

James G. Martin
James G. Martin
Governor

ATTEST:

Thad Eure
Thad Eure
Secretary of State



State of North Carolina



JAMES G. MARTIN
GOVERNOR

EXECUTIVE ORDER NUMBER 55 MARTIN LUTHER KING, JR. HOLIDAY COMMISSION

The third Monday of January of each year has been set aside by both the State and Federal governments as a legal holiday to honor the birthday of Martin Luther King, Jr.;

Such holiday should serve as a time for all North Carolinians to reflect on the principles of racial equality and non-violent social change espoused by Martin Luther King, Jr.;

It is appropriate that the State work to plan, promote and assist statewide and local celebrations and observances of this important national holiday.

Therefore, by the authority vested in me as Governor by the Constitution and laws of North Carolina, IT IS ORDERED;

(a) The Martin Luther King, Jr. Holiday Commission is hereby established under the Department of Administration. The Commission shall be composed of not less than ten (10) members appointed by the Governor to serve at the pleasure of

the Governor. Vacancies shall be filled by the Governor. The Governor shall designate one of the members as chairman and at least one member as vice-chairman.

(b) The Commission shall meet at the call of the Chairman.

(c) The Commission shall have the following duties:

(1) Encourage appropriate ceremonies and activities throughout the State relating to the observance of the legal holiday honoring Martin Luther King, Jr.'s birthday;

(2) Provide advice and assistance to local governments and private organizations across the State with respect to the observance of such holiday;

(3) Work to promote among the citizens of North Carolina an awareness and appreciation of the life and work of Martin Luther King.

(d) Administrative support for this Commission shall be provided by the Department of Administration.

(e) Members of the Commission may be reimbursed for necessary travel and subsistence expenses as authorized by N.C.G.S. 138-5. Members who are State officials or employees shall be reimbursed as authorized by N.C.G.S. 138-6. Funds for reimbursement of such expenses shall be made available

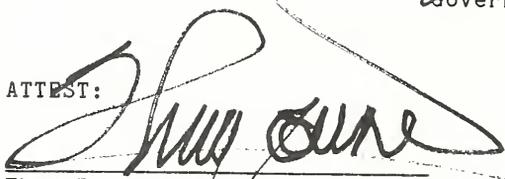
from funds authorized by the Department of Administration.

(f) This order shall be effective immediately.

Done in Raleigh, North Carolina this 30th day of September, 1987.


James G. Martin
Governor

ATTEST:


Thad Eure, Secretary of State



State of North Carolina



JAMES G. MARTIN
GOVERNOR

EXECUTIVE ORDER NUMBER 56
GOVERNOR'S ADVISORY BOARD
ON ATHLETES AGAINST CRIME

The safety and proper development of our State's young people is at greater risk now than ever before in history. The growth of the crime rate in increasingly younger populations is a trend that is of major concern nationally as well as here in North Carolina.

The State of North Carolina must consider appropriate measures designed to reverse the crime rate among its youth. With the attention and energy that athletics generates and the appeal that athletics has among our youth, the establishment of an advisory board can be a viable crime prevention tool.

Therefore, by the authority vested in me as Governor by the Constitution and laws of North Carolina, IT IS ORDERED:

Section 1. ESTABLISHMENT

There is hereby established the Governor's Advisory Board on Athletes Against Crime, hereinafter referred to as the "Board." The Board shall be comprised of a chairman and at least fifteen members appointed by the Governor to serve at the pleasure of the

Governor. The members appointed by the Governor shall include but not be limited to representatives of the following areas:

The Department of Crime Control and Public Safety;

The North Carolina Fellowship of Christian Athletes;

Athletic directors, coaches, and student athletes at junior high, high school, and collegiate levels;

The North Carolina High School Athletic Association and other amateur sports organizations;

Professional athletes;

Law enforcement;

Private citizens or volunteers who have an interest in athletics and/or youth-oriented crime prevention programs in the State.

Section 2. MEETINGS

The Board shall meet regularly at the call of the Chairman and shall hold special meetings at the call of the Chairman, the Governor, or the Secretary of Crime Control and Public Safety.

Section 3. DUTIES

The Board shall have the following duties:

(A) Provide a forum for discussing issues concerning youth involvement in crime and effective approaches to preventing crime among young people;

(B) Coordinate athletic directors, coaches, and student athletes at the junior high, high school, and collegiate levels to implement the crime prevention objectives of the Athletes Against Crime program;

(C) Review existing and proposed youth-oriented crime prevention programs at the local, state, and national levels which involve athletes;

(D) Advise the Governor and Secretary of Crime Control and Public Safety on measures and activities to support youth crime prevention programs and promote the Athletes Against Crime program;

(E) Encourage private sector involvement in fund raising efforts to support and promote the Athletes Against Crime program;

(F) Coordinate with appropriate state and local agencies such as the Governor's Council on Substance Abuse Among Children and Youth to develop a comprehensive approach to preventing crime, delinquency, and substance abuse among young people;

(G) Other duties as assigned by the Governor.

Section 4. ADMINISTRATION

(A) The Department of Crime Control and Public Safety shall provide administrative support and staff as may be required.

(B) Members of the Board shall serve without compensation but may receive reimbursement from the Department of Crime Control and Public Safety, contingent on the availability of funds, for travel and subsistence expenses in accordance with state guidelines and procedures.

(C) The heads of state departments and agencies are hereby directed to the extent permitted by law, to provide the Board information as may be requested by the Board in carrying out the purpose of this order.

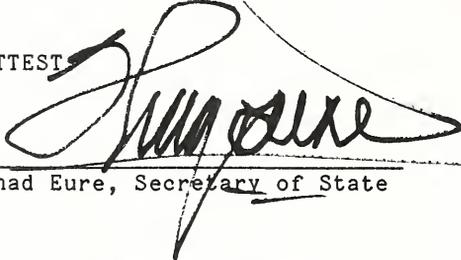
Section 5. EFFECTIVE DATE AND EXPIRATION DATE

This Executive Order shall become effective immediately, and unless rescinded earlier by act of the Governor, will expire in accordance with North Carolina law two years from date it is signed. It is subject to reissuance at expiration.

Done in Raleigh this 30th day of September, 1987.


James G. Martin
Governor

ATTEST:


Thad Eure, Secretary of State



State of North Carolina



JAMES G. MARTIN
GOVERNOR

EXECUTIVE ORDER NUMBER 57 GOVERNOR'S BLUE RIBBON COMMISSION ON COASTAL INITIATIVES

North Carolina's coastal sounds and waterways represent unique and invaluable natural resources for all the people of North Carolina.

The use and preservation of these resources is especially important to those recreational boaters, sports fishermen and vacationers who utilize our coastal areas.

In order to protect these natural resources, provide for the orderly growth of marine related activity, and promote environmentally sound economic development along our coast, it is essential that North Carolina develop and implement a Coastal Initiatives Plan. This plan should work to enhance the quality of our coastal environment by clustering marine related development in carefully selected locations while other more ecologically sensitive areas are given increased environmental protection.

Therefore, by authority vested in me as Governor by the Constitution and laws of North Carolina, IT IS ORDERED:

Section 1 ESTABLISHMENT

There is hereby established the Governor's Blue Ribbon Commission on Coastal Initiatives.

Section 2 MEMBERSHIP

The Commission shall be composed of not less than 10 members appointed by the Governor. The membership shall include the Secretaries of:

- a. Department of Natural Resources and Community Development
- b. Department of Commerce
- c. Department of Administration
- d. Department of Transportation
- e. Department of Human Resources

In addition to those representatives set forth above, the Commission shall include representatives from interested environmental groups, local governments and marine activity related businesses.

The Governor shall designate the chairman of the Commission and all members shall serve at the pleasure of the Governor. All vacancies shall be filled by the Governor.

Section 3 MEETINGS

The Commission shall meet at such times and at such locations as directed by the Chairman.

Section 4

DUTIES

(i) It shall be the responsibility of the Commission to develop and implement a long-term, environmentally sound plan to provide additional protection for environmentally sensitive areas in the 20 coastal counties and to encourage and facilitate clustered development in selected local communities seeking to improve shoreline and marine activity related development.

Recommendations and areas of program implementation in the plan shall include, but not be limited to:

- protective measures for marine and coastal resources
- navigation aids, including a waterways system plan
- incentives to support local community shoreline or marine activity related economic development

(ii) The Commission shall have the authority to direct the work of the Administrative Working Group established in Section 5 of this order.

Section 5

ESTABLISHMENT OF ADMINISTRATIVE WORKING GROUP

There is created as an adjunct to the Commission an Administrative Working Group (AWG) which shall be composed of representatives from the various State departments and agencies involved in planning and implementing the Coastal Initiatives Plan.

All members of the Administrative Working Group shall be designated by the Governor.

The Governor shall designate the chairman of the Administrative Working Group. The AWG shall meet at the call of either its Chairman or the Chairman of the Commission.

Section 6 DUTIES OF AWG

The Administrative Working Group shall, at the direction of the Commission, prepare the plans called for in Section 4 of this order for approval by the Commission. After such approval, the Administrative Working Group shall work to implement the plan as directed by the Commission. The Administrative Working Group will work to coordinate efforts among all involved State departments to ensure the successful completion of the Commission's plan.

Section 7 COMMUNITY TEAMS

In carrying out its duties the Administrative Working Group shall have authority to designate interdepartmental community teams composed of State and other governmental agency representatives. These teams shall work at the community level to assist the AWG in the development and implementation of the Commission's plan.

These teams shall report to and work at the direction of the Administrative Working Group.

Section 8 ADMINISTRATIVE SUPPORT AND EXPENSES

The Department of Natural Resources and Community Development shall provide necessary staffing and administrative support for the Commission and the Administrative Working Group. Other State departments and agencies shall assist the Commission and Administrative Working Group in this undertaking by rendering such technical advice and assistance to them as is from time to time requested and by cooperating fully in the implementation of the approved Coastal Initiatives Plan.

Members of the Commission shall be entitled to such per diem expenses and reimbursement for travel expenses as authorized under N.C.G.S. 138-5. Members who are State employees shall be reimbursed as authorized by N.C.G.S. 138-6.

Funds for reimbursement of these and other administrative expenses of the Commission shall be made available from funds provided by the Department of Administrative, Department of Transportation, and the Department of Natural Resources and Community Development as authorized and directed by the Office of Management and Budget.

Section 9 EFFECTIVE DATE

This order shall be effective immediately, and shall remain effective until December 31, 1992.

Done in Raleigh, North Carolina this the 23rd day of November, 1987.

James G. Martin
James G. Martin
Governor

ATTEST
Thad Eure
Thad Eure, Secretary of State



State of North Carolina



JAMES G. MARTIN
GOVERNOR

EXECUTIVE ORDER NUMBER 58
EXTENDED GRACE PERIOD FOR OBTAINING 1988 COMMERCIAL FISHING
LICENSES

Those persons engaged in commercial shellfishing in North Carolina are experiencing severe financial difficulties owing to the Red Tide infestation along portions of the North Carolina coast.

In order to help ease the financial burden on this segment of our State's population, I hereby direct the Division of Marine Fisheries of the Department of Natural Resources and Community Development to extend through March 31, 1988 the grace period for obtaining all 1988 commercial fishing licenses. This order shall apply only to those individuals who currently hold a 1987 license.

Done this 11th day of December, 1987.


James G. Martin
Governor

ATTEST:


Thad Eure, Secretary of State



State of North Carolina



JAMES G. MARTIN
GOVERNOR

EXECUTIVE ORDER NUMBER 59
AMENDMENT TO EXECUTIVE ORDER NUMBER 15
"JUVENILE JUSTICE PLANNING COMMITTEE"

The Juvenile Justice Planning Committee was established by Executive Order Number 15 on June 28, 1985.

In order to meet the Federal guidelines contained in the Federal Juvenile Justice and Delinquency Prevention Act of 1974 as amended, it is now necessary to alter the membership requirements of that committee.

THEREFORE, by authority vested in me as Governor by the laws and the Constitution of North Carolina, IT IS ORDERED:

Section 1(b) of Executive Order Number 15 is amended to read as follows:

The following seven members shall be appointed by the Secretary of the Department of Crime Control and Public Safety for a term of two years: a representative of a business group or a business that employs youth; two (2) representatives of private organizations that focus on strengthening the family unit or of parent groups or of those concerned with neglected or dependent children or delinquency prevention and treatment; a representative of local

government youth serving agency; three youth members under the age of 24, and who are or have been under the jurisdiction of the juvenile justice system.

All other provisions of Executive Order Number 15 remain in force.

This order shall be effective immediately and shall remain in effect until June 30, 1989.

James G. Martin

James G. Martin
Governor

December 11, 1987

ATTEST:

Thad Eure

Thad Eure, Secretary of State



State of North Carolina



JAMES G. MARTIN
GOVERNOR

EXECUTIVE ORDER NUMBER 60 GOVERNOR'S TASK FORCE ON THE NORTH CAROLINA DRIVER LICENSE SYSTEM

Each year in North Carolina, approximately 1.75 million citizens visit examining stations operated by the Driver License Section of the Division of Motor Vehicles, North Carolina Department of Transportation, to obtain original, renewal and duplicate driver licenses, photo identification cards and learners' permits. The Driver License Section has more direct contact with the citizenry of North Carolina than does any other branch of State Government. Where, when and how the Driver License Section provides its services is vitally important to the State and to the public.

Since the establishment of the North Carolina Driver License System in 1935, no comprehensive study has been made by the State to evaluate the effectiveness of its delivery of services to the public, to analyze the need for enhancing the quality of the

existing system, or to review administrative procedures and statutory requirements. In view of the elapsed time and the rapid increase in the number of licensed drivers who must be served by the Driver License Section, such comprehensive study is hereby deemed necessary and in the public interest.

Therefore, by the authority vested in me as Governor by the Constitution and laws of North Carolina, IT IS ORDERED:

Section 1. ESTABLISHMENT

The Governor's Task Force on the North Carolina Driver License System is hereby established. The Task Force shall consist of at least twenty and not more than thirty members appointed by the Governor to serve at the pleasure of the Governor. All vacancies shall be filled by the Governor. The Governor shall designate one of its members as Chairman and one as Vice-Chairman. The Secretary of Transportation or his designee and the Commissioner of Motor Vehicles or his designee shall serve as ex-officio members.

Section 2. FUNCTIONS

(1) The Task Force shall meet regularly at the call of the Chairman. The Task Force is authorized to conduct public hearings for the purpose of receiving the comments and suggestions of citizens throughout the State.

(2) The duties of the Task Force shall be to conduct a comprehensive study of the North Carolina driver license system, and shall formulate recommendations for enhancing the operations and improving the delivery of services to the public by the Driver License Section of the Division of Motor Vehicles.

Section 3. ADMINISTRATION

(a) The Special Assistant to the Commissioner of Motor Vehicles shall provide principal staff support to the Task Force. The Secretary of Transportation and the Commissioner of Motor Vehicles may designate such other personnel from their respective staffs as they deem appropriate and necessary to furnish guidance and assistance to the Task Force.

(b) The Task Force is authorized, subject to the availability of funds to retain consulting service(s) or employ such professional(s) if it determines that such service(s) or professional(s) would offer a cost-efficient method of gathering information. Funds for the retention and payment of such services(s) or professional(s) shall be made available from funds authorized by the Division of Motor Vehicles.

(c) Members of the Task Force may be reimbursed for necessary travel and subsistence expenses as authorized by N.C.G.S. 138-5. Funds for reimbursement of such expenses shall be made available from funds authorized by the Division of Motor Vehicles.

(d) Funds for the support of the Task Force study, in addition to expenses authorized in Section 3, subsections (b) and (c) above, shall be made available from funds authorized by the Division of Motor Vehicles.

Section 4. REPORTS

The Task Force shall present its final report and recommendations to the Governor not later than September 1, 1988.

Section 5. IMPLEMENTATION AND DURATION

(1) This order shall be effective immediately.

(2) The Commission shall dissolve at the pleasure of the Governor, but no later than December 30, 1988.

Done at Raleigh, North Carolina, this 11th day of December, 1987.

James G. Martin
James G. Martin
Governor

ATTEST:

Thad Eure
Thad Eure, Secretary of State



State of North Carolina



JAMES G. MARTIN
GOVERNOR

EXECUTIVE ORDER 61
AMENDMENT TO
EXECUTIVE ORDER 49
GOVERNOR'S ADVISORY COMMISSION ON MILITARY AFFAIRS

The Governor's Advisory Commission on Military Affairs was created by Executive Order 49, signed on May 20, 1987.

In order for that Commission to properly carry out its duties it is necessary to amend Executive Order 49.

THEREFORE, by the authority vested in me as Governor by the Constitution and laws of North Carolina, IT IS ORDERED:

Section 1.

The first sentence of Section 4 of Executive Order 49 is hereby amended to read:

"Support staff for the Commission shall be provided by the Department of Crime Control and Public Safety."

Section 2.

All other sections of Executive Order 49 remain in force.

Done in Raleigh, North Carolina, this the 30th day of
December, 1987.

James G. Martin
James G. Martin
Governor

ATTEST:

Thad Eure
Thad Eure
Secretary of State



State of North Carolina



JAMES G. MARTIN
GOVERNOR

EXECUTIVE ORDER NUMBER 62
AMENDMENT TO EXECUTIVE ORDER NUMBER 41
"GOVERNOR'S TASK FORCE ON DEVELOPMENT OF PRIVATE SEED
VENTURE CAPITAL SOURCES"

The Governor's Task Force on Development of Private Seed Venture Capital Sources was established by Executive Order Number 41 signed on March 20, 1987. That executive order directed the Task Force to present a report of recommendations to encourage development of a private seed venture capital fund to the Governor and the Secretary of the Department of Commerce by not later than the 1st day of September, 1987.

Due to the Task Force's concentration on immediate legislative opportunities which occurred during the 1987 General Assembly, that report was not completed nor submitted. There continues to be a need for such a report.

THEREFORE, by the authority vested in me as Governor by the Constitution and laws of North Carolina, IT IS ORDERED:

That the report called for in Section 4 of Executive Order Number 41 signed on March 20, 1987 be submitted to the Governor and the Secretary of the Department of Commerce not later than the 1st day of May, 1988.

All other sections of Executive Order Number 41 shall remain in effect.

This the 30th day of December, 1987.



James G. Martin
Governor

ATTEST:

Thad Eure, Secretary of State



State of North Carolina



JAMES G. MARTIN
GOVERNOR

EXECUTIVE ORDER NO. 63 STATE ASBESTOS STUDY COMMISSION

It has come to my attention that the presence of asbestos in certain forms in buildings may be hurtful to the building's occupants and that there may be asbestos present in these forms in some of the State's buildings.

It has also come to my attention that before undertaking to learn whether and to what extent hurtful asbestos is present in the more than ten thousand buildings owned by the State, it is desirable for a study to be made of the costs and related benefits to be had from such an assay being made.

With the foregoing in mind it is ORDERED:

1. There is hereby created a State Asbestos Study Commission composed of seven persons, two of whom shall be designated by the Governor and one each by the Lieutenant Governor, the Speaker of the House of Representatives, the Secretary of the Department of Administration, the Secretary of the Department of Human Resources and the Superintendent of Public Instruction. The Chairman of the Commission shall be designated by the Governor from among its members.

2. The purpose of the Commission shall be (i) to study the cost of and related benefits to be had from assaying the State's buildings to learn whether and to what extent asbestos in hurtful forms may be present in the buildings and (ii) to make recommendations as to how the State should respond to what is learned from the study. The Commission shall prepare a written report of its study and submit the same to the Governor along with its recommendations.

3. The Commission shall begin its work immediately and make its report to the Governor not later than April 30, 1988.

4. All State Departments and agencies shall cooperate fully and promptly with the Commission in its work to the end that its work may be completed within the allotted time.

5. The Division of Policy and Planning shall assign one or more members of its staff to assist the Commission in its work, as reasonably may be requested by the Commission.

6. Members of the Commission who are not employees of the State shall be reimbursed for their reasonable travel and subsistence expenses as allowed by N.C.G.S. §138-5. Reimbursement for such expenses shall be paid from appropriations to the Department of Administration. The reasonable expenses of the Commission in addition to those allowed by N.C.G.S. §138-5 shall also be paid from appropriations to the Department of Administration.

Done at Raleigh, North Carolina, this 29th day of January,
1988.

James G. Martin
James G. Martin
Governor

ATTEST:

Thad Eure
Thad Eure, Secretary of State



State of North Carolina



JAMES G. MARTIN
GOVERNOR

EXECUTIVE ORDER NUMBER 64
EXTENSION OF GOVERNOR'S COUNCIL ON ALCOHOL AND DRUG ABUSE
AMONG CHILDREN AND YOUTH

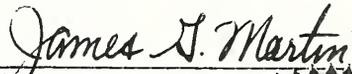
The Governor's Council on Alcohol and Drug Abuse Among Children and Youth was established by Executive Order Number 23 on January 29, 1986.

Pursuant to N.C.G.S. 147-16.2 this Commission is to expire on January 29, 1988.

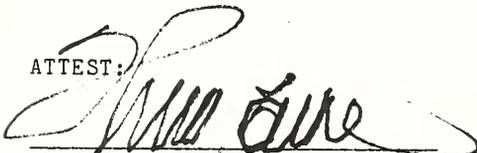
By the authority vested in me as Governor by the Constitution and laws of North Carolina, IT IS ORDERED:

The Governor's Council on Alcohol and Drug Abuse Among Children and Youth established through Executive Order Number 23 on January 29, 1986 is hereby extended through January 29, 1991.

Done in Raleigh, North Carolina this the 29th day, of January, 1988.


James G. Martin
Governor

ATTEST:


Thad Eure, Secretary of State



State of North Carolina



JAMES G. MARTIN
GOVERNOR

EXECUTIVE ORDER NUMBER 65 NORTH CAROLINA STATE DEFENSE MILITIA

WHEREAS, the North Carolina National Guard has the mission of responding to the call of the Governor in time of emergency to execute the law and secure the safety of persons and property, suppress riots or insurrections, repel invasions or provide disaster relief; and

WHEREAS, the potential exists for the National Guard to be absent from the State in time of need because of a national mobilization or other federal requirements; and

WHEREAS, the North Carolina National Guard, at the direction of the United States Congress, is assuming a more critical role in this nation's defense, as a crucial partner in the armed forces and could be mobilized on very short notice; and

WHEREAS, the North Carolina General Statutes confer upon the Governor the responsibility and authority to enlist and direct the assistance of a State Defense Militia to provide for the common

defense and protection of the lives and property of the people of this State, during the absence from the State of the National Guard;

NOW, THEREFORE, IT IS ORDERED:

Section 1.

Pursuant to Article 5 of Chapter 127A of the General Statutes, I hereby establish and organize the North Carolina State Defense Militia. The purpose of this Militia is to assume the State functions of the North Carolina National Guard, in its absence.

Section 2.

The North Carolina State Defense Militia is established within the Department of Crime Control and Public Safety. The Militia shall be responsible to and subject to the direction and supervision of the Adjutant General of the North Carolina National Guard. I hereby delegate to the Secretary of Crime Control and Public Safety the authority to prescribe rules and regulations concerning the North Carolina State Defense Militia in accordance with N.C.G.S. 127A-80(c).

Section 3.

The Commander of the State Defense Militia shall be appointed by the Secretary of the Department of Crime Control and Public Safety to the rank of General Officer of the North Carolina State Defense Militia and shall serve at the pleasure of the Secretary. All officers and soldiers shall be appointed in accordance with the rules and regulations established under Section 2 above and

shall serve at the pleasure of the Secretary of Crime Control and Public Safety.

Section 4.

This order is effective immediately, and shall remain in effect until rescinded by further executive order or other law. The provisions of N.C.G.S. 147-16.2 shall not apply to this Executive Order.

Done in the Capital City of Raleigh, North Carolina, this the 29th day of January, 1988.

James S. Martin
James G. Martin
Governor

ATTEST: Thad Eure
~~Thad Eure, Secretary of State~~
=



State of North Carolina



JAMES G. MARTIN
GOVERNOR

EXECUTIVE ORDER NUMBER 66

STATE EMPLOYEES COMBINED CAMPAIGN

WHEREAS, there is a need to promote and encourage State employees to contribute to non partisan charitable organizations; and

WHEREAS, there is a need to allow State employees the opportunity to contribute to non partisan charitable organization in an orderly and uniform manner; and

WHEREAS, there is a need to establish uniform policies and procedures to assure participating organizations are of a non partisan charitable status; and

WHEREAS, it is the policy of the State to support the State Employees Combined Campaign as codified in N.C.G.S. 143-3.3 allowing State payroll deductions for combined campaign contributions.

NOW, THEREFORE, IT IS HEREBY ORDERED:

Section 1.

There is established the State Employees Combined Campaign, hereinafter referred to as the Combined Campaign, within the Department of Administration. The Governor at the beginning of each calendar year shall appoint a State Combined Campaign Director. The Director or the Director's designee shall serve as Chairman of the Combined Campaign. The Chairman shall administer, pursuant to rules promulgated by the State Employees Advisory Committee, the Combined Campaign for that year.

Section 2.

There is established the State Employees Advisory Committee hereinafter referred to as Committee. The Committee shall be composed of ten (10) members from state government appointed by the Director of the Combined Campaign. The terms of membership shall be staggered so that the terms of approximately one-third of the members shall expire in a single calendar year. After the first three years, each appointment shall be for a term of three years. The Director of the Combined Campaign or the Director's designee shall serve as Chairman of the Committee.

Section 3.

A vacancy occurring on the Committee during a term of appointment is filled in the same manner as the original appointment and for the balance of the unexpired term.

Section 4.

The Advisory Committee shall meet as necessary and any time at the call of the Chairman to conduct the business of each year's Combined Campaign.

Section 5.

The Committee shall have the following duties:

1. Recommend overall policy for the Combined Campaign to the Governor, the Campaign Director and necessary state agencies;
2. Adopt rules and procedures as necessary for the proper administration of the Combined Campaign by majority vote;
3. Establish criteria for acceptance which organizations must meet to be accepted as participants by majority vote;
4. Serve as a central application point for all charitable organizations applying to participate in the Combined Campaign;
5. Review and evaluate organization's applications to assure compliance with acceptance criteria.

Section 6.

The Department of Administration shall provide the administrative support for the Advisory Committee.

Section 7.

All State agencies and personnel are directed to cooperate fully with State Employees Combined Campaign in order to insure a

successful annual campaign. This cooperation shall include full implementation of all approved combined campaign activities.

Section 8.

All prior Executive Orders or portions of prior Executive Orders inconsistent herewith are hereby repealed.

Section 9.

This Order shall become effective immediately. It shall remain in effect until January 1990 unless amended by further Executive Order.

Done January 29th, 1988.

James G. Martin
James G. Martin
Governor

ATTEST

Inad Eure
Inad Eure, Secretary of State



State of North Carolina



JAMES G. MARTIN
GOVERNOR

EXECUTIVE ORDER 67 GOVERNOR'S TASK FORCE ON THE SHORTAGE OF NURSES IN NORTH CAROLINA

The State of North Carolina has made great strides in supplying quality health care to its citizens. Our physical capacity and technological capability to provide the needed care is being met but our supply of a trained labor force is dangerously low.

The shortfall is particularly critical in nursing. North Carolina simply does not have enough trained nurses to meet the growing demands on our health care system. The shortage promises to become increasingly worse and could have a very serious impact on the state's ability to maintain a high level of health services to its people

In view of this problem and its growing severity, it is important that the state establish a task force to study this issue and prepare a report which shall examine the causes of the shortage, clearly set forth its implications, and recommend

possible solutions that can be implemented by both the public and private sectors.

THEREFORE, by the authority vested in me as Governor by the Constitution and laws of North Carolina, IT IS ORDERED:

Section 1. ESTABLISHMENT

The Governor's Task Force on the Shortage of Nurses in North Carolina is hereby established. The Task Force shall consist of not more than 20 members appointed by the Governor to serve at the pleasure of the Governor. All vacancies shall be filled by the Governor. The Governor shall designate one of its members as chairman. The Secretary of the Department of Human Resources or his designee shall serve as an ex-officio member.

Section 2. MEMBERSHIP

The membership of the task force shall include but not be limited to representatives from the following groups:

1. North Carolina Nurses Association
2. North Carolina Hospital Association
3. North Carolina Community College System
4. The University of North Carolina System
5. North Carolina Medical Society
6. The North Carolina Health Care Facilities Association
7. One member from the North Carolina Senate
8. One member from the North Carolina House
9. North Carolina Licensed Practical Nurses Association
10. North Carolina Association for Home Care

11. North Carolina Department of Public Instruction
(Health Occupations Program)

Section 3. FUNCTIONS

1. The Task Force shall meet regularly at the call of the Chairman. The Task Force is authorized to conduct public hearings for the purpose of receiving the comments and suggestions of citizens throughout the state.

2. The duties of the Task Force shall be to conduct a comprehensive study of the availability of adequate skilled nursing care in North Carolina and to prepare a report outlining its findings and making recommendations on how the public and private sectors can best work to alleviate the nursing shortage now and in the future. This report shall be submitted to the Governor no later than September 1, 1988.

Section 4. ADMINISTRATION

1. Administrative support and staff for this task force shall be provided by the Department of Human Resources.

2. Members of the task force may be reimbursed for necessary travel and subsistence expenses as authorized by NCGS 138-5. Funds for reimbursement of such expenses shall be made available from funds authorized by the Department of Human Resources.

3. All other funds for the support of the task force study shall also be made available from funds authorized by the Department of Human Resources.

Section 5. IMPLEMENTATION AND DURATION

1. This order shall be effective immediately.

2. This commission shall dissolve at the pleasure of the Governor but not later than January 1, 1989.

Done in Raleigh, North Carolina, this 18th day of February, 1988.

James G. Martin
James G. Martin
Governor

ATTEST:

Thad Eure
Thad Eure
Secretary of State



State of North Carolina



JAMES G. MARTIN
GOVERNOR

EXECUTIVE ORDER NUMBER 68 NORTH CAROLINA COMMISSION ON THE SUPERCONDUCTING SUPER COLLIDER

North Carolina's proposal to be the site of the Superconducting Super Collider (SSC) presents an enormous opportunity for the state to solidify its position as a world center of high technology research and development. If North Carolina is chosen as the site of the SSC, the benefits to the state and its people will be substantial. At the same time, any project of this magnitude will have effects on individuals and the surrounding communities. It is the obligation of the state to ensure that the effects of the SSC project--on the people in the area, on the counties and municipalities, and on the environment--are beneficial.

The SSC is a unique public project in many respects. It is the largest scientific instrument in the world and is designed for pure research. If North Carolina is chosen as the SSC site, the state will acquire the land needed for the SSC, then release the land to the federal government. This plan necessarily will

involve the local governments in the SSC area. Because of the complexity of the project and the levels of government involved, an ongoing mechanism is needed to ensure that those who implement the SSC project are sensitive to the many governmental and individual rights and prerogatives involved.

Therefore, by the authority vested in me as Governor by the Constitution and laws of North Carolina, IT IS ORDERED:

Section 1. ESTABLISHMENT

The North Carolina Commission on the Superconducting Super Collider is hereby established. The Commission shall consist of not more than fifteen members appointed by the Governor to serve at the pleasure of the Governor. All vacancies shall be filled by the Governor. The SSC Project Director shall serve as the Chairperson. The SSC Project Director shall vote only when necessary to break a tie.

Section 2. MEMBERSHIP

The membership of the Commission shall include but not be limited to representatives from the following groups:

1. The Durham County Manager.
2. The Granville County Manager.
3. The Person County Manager.
4. Two Durham County Commissioners.
5. Two Granville County Commissioners.
6. Two Person County Commissioners.
7. The SSC Project Director.

Section 3. FUNCTIONS

The North Carolina Commission on the Superconducting Super Collider shall have the following duties:

1. To serve as a coordinating mechanism between the three counties involved and the state in matters relating to the SSC project.

2. To recommend locations to the state and federal governments for the SSC Project which will displace the fewest property owners.

3. To recommend to the state the location of roads and utilities necessary for the project.

4. To present the interests of the property owners potentially affected by the SSC Project to ensure that each receives fair compensation for SSC property acquisitions.

5. To study the effects of SSC-related development on local government entities and recommend amounts of state financial aid to lessen the impact of the SSC and insure that local governments are able to meet the needs of their communities.

6. To monitor environmental impacts of the SSC and to recommend measures as necessary to prevent adverse effects on the environment.

7. To promote and stimulate cooperative planning among the local governments affected to accommodate SSC-related growth for the benefit of all citizens.

8. To meet as necessary, at the call of the Chairperson or of the Governor.

Section 4. ADMINISTRATION

1. Financial support for the Commission may be provided out of funds available to the North Carolina Board of Science and Technology in response to the requests of the Chairperson. All expenditures must be approved beforehand by the Chairperson.

2. Subject to the availability of funds, members of the Commission may be reimbursed for travel and subsistence expenses as authorized by NCGS Section 138-5.

3. The SSC Project shall provide the staff and administrative support for the Commission.

Section 5. REPORTS

1. The Commission shall present interim reports and recommendations to the Governor at least annually.

2. The Commission shall present a Final Report and Recommendations to the Governor before its dissolution.

Section 6. IMPLEMENTATION AND DURATION

1. This order shall be effective immediately.

2. This Commission shall dissolve at the pleasure of the Governor.

Done in Raleigh, North Carolina, this 11th day of March, 1988.

James G. Martin
James G. Martin
Governor

ATTEST:

Thad Eure
Thad Eure, Secretary of State



State of North Carolina



JAMES G. MARTIN
GOVERNOR

EXECUTIVE ORDER NUMBER 69 GOVERNOR'S TASK FORCE ON AQUACULTURE IN NORTH CAROLINA

By authority vested in me as Governor by the Constitution and laws of North Carolina, IT IS ORDERED:

Section 1

There is hereby established the Governor's Task Force on Aquaculture in North Carolina. The Task Force shall consist of a Policy Committee and such technical committees as the Policy Committee shall create.

Section 2

The Policy Committee shall consist of not more than fifteen (15) members. Members of the Policy Committee shall include:

- a. Agriculture Advisor to the Governor;
- b. President of the UNC System;
- c. President of Duke University;
- d. Secretary of Natural Resources and Community Development;
- e. Commissioner of Agriculture;
- f. Secretary of Administration;

- g. Secretary of Commerce;
- h. Science Advisor to the Governor;
- i. President of the North Carolina Farm Bureau;
- j. President of the North Carolina Biotechnology Center;
- k. A member recommended by the Lieutenant Governor;
- l. A member recommended by the Speaker of the House;
- m. Up to four (4) members at large appointed by the Governor

The Secretary of Administration shall serve as Chairman of the Task Force. All members named under subsections (k), (l), (m) above shall serve at the pleasure of the Governor and the Governor shall fill all vacancies. If a vacancy occurs in a seat held by a member recommended by the Lieutenant Governor or Speaker of the House, the Governor shall fill the vacancy after recommendation by the appropriate official.

Section 3

The Policy Committee may form such technical committees as necessary to study and report on the various aspects of aquaculture in this State.

The members of the technical committees shall be drawn from professional and technical experts in the various related fields. Members of the Technical Committees shall be asked to serve by the Policy Committee and shall serve at its pleasure.

Section 4

The Task Force shall have the following responsibilities:

- a. Analyze environmental, financial, marketing, processing, educational and legal issues within the aquaculture industry.
- b. Formulate recommendations for changes in current North Carolina statutes concerning the aquaculture industry.
- c. Formulate recommendations for agency and university programs to promote and develop the aquaculture industry.

- d. Formulate recommendations for research programs, demonstration projects, and other technology transfer activities.
- e. Perform other relevant studies and services as recommended by the Policy Committee.
- f. Prepare a final report to the Governor recommending an aquaculture policy for North Carolina. This report shall be submitted to the Governor no later than January 1, 1989.

Section 5

The Department of Agriculture and the Department of Administration shall provide necessary staffing and administrative support for the Task Force, as directed by the Policy Committee.

Section 6

This Order shall become effective immediately and shall remain in effect for one year.

Done in Raleigh, North Carolina, this the 11th day of March, 1988.

James G. Martin
James G. Martin
Governor

ATTEST:

Thad Eure
Thad Eure
Secretary of State



State of North Carolina



JAMES G. MARTIN
GOVERNOR

EXECUTIVE ORDER NUMBER 70 WOMEN'S ECONOMIC DEVELOPMENT ADVISORY COUNCIL

By the authority vested in me as Governor by the Constitution and laws of North Carolina it is ORDERED:

Section 1 I hereby recreate and establish in the Department of Commerce the North Carolina Women's Economic Development Advisory Council. This Council will be composed of at least twelve (12) members who have distinguished themselves by their accomplishments in the private sector. The membership of this Council will, to the extent practical, contain representatives from all major geographic areas of the State. The members of this Council will be appointed by the Governor and will serve at the pleasure of the Governor. Those members appointed to the Women's Economic Development Advisory Council by the Governor under Executive Order Number 7 retain their membership and continue to serve at the pleasure of the Governor.

Section 2 The Governor shall designate a Chairman from the membership of the Council. The Council will meet at the call of the Chair or the Secretary of the Department of Commerce. The current Chair shall continue to serve as Chair unless directed otherwise by the Governor.

Section 3 The Women's Economic Development Advisory Council will have the duty to thoroughly explore opportunities for women in our economy; carefully evaluate those opportunities; and advise the Secretary of Commerce on strategic courses of action, consistent with the State's economic development philosophy, which will best promote and encourage equal opportunity and advancement and integration of women into all aspects of North Carolina's economy. The primary focus of the Council shall be in the area of business opportunities, so as not to be duplicative of complementary efforts to enhance the status of women in the North Carolina economy.

Section 4 The Department of Commerce shall provide the administrative support for this Council.

Section 5 The members of the Women's Economic Development Advisory Council shall be entitled to reimbursement for subsistence and travel expenses authorized for State Boards and Commissions as provided in N.C.G.S. 138-5. Funds are to be made available as authorized by the Department of Commerce.

Section 6 This order supersedes and replaces Executive Order 7 signed on June 28, 1985.

Section 7 This Executive Order is effective immediately and shall remain in effect until May 15, 1989, or unless terminated earlier or extended by further Executive Order.

Done in the Capital City of Raleigh, North Carolina, this the 11th day, of March, 1988.

James G. Martin
James G. Martin
Governor

ATTEST:

Thad Eure
Thad Eure, Secretary of State



State of North Carolina



JAMES G. MARTIN
GOVERNOR

EXECUTIVE ORDER NUMBER 71
GOVERNOR'S TASK FORCE
ON RAIL PASSENGER SERVICE

North Carolina and the nation were built on and along railroads. In particular, our urban Piedmont has been shaped in large part by the General Assembly's investment in the North Carolina Railroad over 130 years ago. Many of those Piedmont cities are now leading North Carolina's dramatic population and economic growth.

With that growth comes an ever-increasing need for intercity, regional, and urban transportation. Some of our intercity traffic today moves via Amtrak along existing railroad routes through North Carolina. In the future, even greater reliance may need to be placed on rail passenger opportunities.

Today, Amtrak is considering changing its intercity routes serving North Carolina. At the same time, the private freight railroads continue to react to economic forces by abandoning

service and routes. These decisions, made outside North Carolina, not only affect today's transportation patterns, but could well limit our transportation choices for the future. Passenger trains move on some of these routes today, and may well need to move on others in the future. Possibly, other forms of passenger transportation could also use those corridors.

As the North Carolina Railroad and the Atlantic and North Carolina Railroad prepare to renegotiate their right-of-way leases between Charlotte, Greensboro, Raleigh and Morehead City, consideration should be given to preservation of future options for inter-urban transit by a carrier able to offer affordable, reliable rail passenger service.

This corridor, as well as other rail corridors in and across the state, may well hold opportunities for North Carolina's future mobility. Every effort should be given to exploration of short-term as well as longer-term opportunities for rail passenger service along these corridors in North Carolina.

Therefore, by the authority vested in me as Governor by the Constitution and laws of North Carolina, IT IS ORDERED:

Section 1. ESTABLISHMENT

The Governor's Task Force on Rail Passenger Service is hereby established. The Task Force shall consist of at least ten and not more than fifteen members appointed by the Governor to serve at the pleasure of the Governor. All vacancies shall be filled by the Governor. The Governor shall designate one of its members as Chairman and one as Vice-Chairman. The Secretary of Transportation or his designee shall serve as an ex-officio member

and shall not be included in the fifteen members to be appointed by the Governor.

Section 2. FUNCTIONS

(1) The Task Force shall meet regularly at the call of the Chairman or the Governor. The Task Force is authorized to conduct public hearings for the purpose of receiving the comments and suggestions of citizens throughout the State.

(2) The duties of the Task Force shall be to conduct a study of the present, near term, and future needs for rail transit service connecting major cities of North Carolina, with emphasis on the potential for providing affordable service.

Section 3. ADMINISTRATION

(a) The Director of Public Transportation of the Department of Transportation shall provide staff support to the Task Force. The Secretary of Transportation may designate such other personnel from his staff as he deems appropriate and necessary to furnish guidance and assistance to the Task Force.

(b) The Department of Transportation is authorized, subject to the availability of funds, to retain consulting service(s) or employ other professional(s) if it determines that such service(s) or professional(s) would offer a cost-efficient method of gathering and analyzing information. Funds for the retention and payment of such service(s) or professional(s) shall be made available from funds authorized for the Division of Public Transportation.

(c) Members of the Task Force may be reimbursed for necessary travel and subsistence expenses as authorized by

N.C.G.S. 138-5. Funds for reimbursement for such expenses shall be made available from funds authorized for the Division of Public Transportation.

(d) Funds for the support of the Task Force study, in addition to expenses authorized in Section 3, subsections (b) and (c) above, shall be made available from funds authorized for the Division of Public Transportation.

Section 4. REPORTS

The Task Force shall present a report to the Governor not later than the 15th day of January, 1989.

Section 5. IMPLEMENTATION AND DURATION

(1) This order shall be effective immediately.

(2) The Commission shall dissolve at the pleasure of the Governor, but no later than December 30, 1989.

Done at Raleigh, North Carolina this 11th day of March, 1988.

James G. Martin
James G. Martin
Governor

ATTEST: Thad Eure
Thad Eure, Secretary of State.



State of North Carolina



JAMES G. MARTIN
GOVERNOR

EXECUTIVE ORDER NUMBER 72
AMENDMENT TO EXECUTIVE ORDER NUMBER 53
"GOVERNOR'S INTER-AGENCY ADVISORY TEAM
ON ALCOHOL AND OTHER DRUG ABUSE"

Section 1. The Governor's Inter-Agency Advisory Team on Alcohol and Other Drug Abuse was created by Executive Order Number 53 dated July 30, 1987.

Section 2. Section 3(d) of that executive order is amended to read as follows:

(d) travel and subsistence expenses incurred by the Chairman of the Advisory Team shall be paid, as directed by the Director of the Budget, from funds available to the agencies and departments represented on the Advisory Team.

Section 3. All other provisions of Executive Order Number 53 shall remain in effect.

Done in the Capital City of Raleigh, this the 26th day
of April, 1988.

James G. Martin
James G. Martin
Governor

ATTEST:

Thad Eure
Thad Eure, Secretary of State



State of North Carolina



JAMES G. MARTIN
GOVERNOR

EXECUTIVE ORDER NUMBER 73 EMERGENCY MANAGEMENT PROGRAM

WHEREAS, the natural phenomena such as hurricanes, floods, tornadoes, severe winter weather, droughts, earthquakes, and man-made disasters such as explosions or major electric power failures are an ever-present danger; and

WHEREAS, potential enemies of the United States now possess the capability of launching attacks and unprecedented destruction upon this State and nation, from land, sea and air; and

WHEREAS, it is the duty of the Department of Crime Control and Public Safety to provide emergency services to protect the public against natural and man-made disasters; and

WHEREAS, it is the duty of the Department of Crime Control and Public Safety to insure the preparation, coordination, and readiness of emergency management and military plans and effective

conduct of emergency operations by all participating agencies in order to sustain life and prevent, minimize, or remedy injury to persons and damage to property resulting from disasters caused by enemy attack or other hostile actions or from disasters due to natural or man-made causes; and

WHEREAS, the Emergency Management Act of 1977, as amended, N.C.G.S. 166A-1, et seq., the North Carolina Emergency War Powers Act, N.C.G.S. 147-33.1, et seq., and Article 36A of Chapter 14 of the General Statutes confer upon the Governor comprehensive powers to be exercised in providing for the common defense and protection of the lives and property of the people of this State against both man-made and natural disasters; and

WHEREAS, the effective exercise of these emergency powers requires extensive initial planning, continued revision and exercising of plans, assignment of Emergency Management functions prior to the occurrence of an emergency, the training of personnel in order to ensure a smooth, effective application of governmental functions to emergency operations, and the quick response of all necessary State resources and

WHEREAS, these Emergency Management functions are intended to be and can be accomplished most effectively through those established activities of State and local government whose normal functions relate to those emergency services which would be needed;

NOW, THEREFORE, IT IS ORDERED:

Section 1

In the event the Governor, in the exercise of his constitutional and statutory responsibilities, shall deem it necessary to utilize the services of more than one subunit of State Government to provide protection to the people from natural or man-made disasters or emergencies, including not but limited to wars, insurrections, riots, civil disturbances, or accidents, the Secretary of Crime Control and Public Safety under the direction of the Governor, shall serve as the chief coordinating officer for the State between the respective subunits so utilized, as provided in N.C.G.S. 143B-476.

Section 2

Whenever the Secretary of Crime Control and Public Safety exercises the authority provided in Section 1, he shall be authorized to utilize and allocate all available State resources as are reasonably necessary to cope with the emergency or disaster, including directing of personnel and functions of State agencies or units thereof for the purpose of performing or facilitating the initial response to the disaster or emergency. Following the initial response, the Secretary, in consultation with the heads of the State agencies which have or appear to have responsibility for dealing with the emergency or disaster, shall designate one or more lead agencies to be responsible for subsequent phases of the response to the emergency or disaster. Pending an opportunity to consult with the head of such agencies, the Secretary may make interim lead agency designations.

Section 3

Every department of State Government is required to report to the Secretary of Crime Control and Public Safety by the fastest means practicable, all natural or man-made disasters or emergencies, including but not limited to wars, insurrections, riots, civil disturbances, or accidents which appear likely to require the utilization of the services of more than one subunit of State government.

Section 4

The Secretary of Crime Control and Public Safety is hereby authorized to delegate the authority to utilize and allocate all available State resources as may be necessary to carry out the intent of this order.

Section 5

An explanation of the Emergency Management functions assigned to each State department, division, subdivision or agency is contained in the State plans developed and published by the Division of Emergency Management of the North Carolina Department of Crime Control and Public Safety and the provisions of these documents, including annexes attached thereto, and any revisions thereto, are specifically incorporated herein by reference.

Section 6

The heads of the departments of State Government and other agencies designated in said plans are granted the authority and charged with the responsibility to develop supporting plans and procedures and to execute upon order of the Governor, the

Secretary of Crime Control and Public Safety or his designee the Emergency Management functions assigned to them in said plans.

Section 7

The Secretary of Crime Control and Public Safety is hereby authorized to update and periodically revise or cause to be revised said plans and supporting plans to the end that they will be at all times current and consistent with the functions, duties, and capabilities of a given department or agency.

Section 8

The head of each department, agency, commission or office of State Government that is charged with Emergency Management responsibilities shall designate personnel from said department, agency, commission, or office to perform liaison with all other components of State Government on matters pertaining to Emergency Management activities.

Section 9

The heads of State Government departments assigned Emergency Management functions shall prepare procedures to procure from governmental and private sources all materials, manpower, equipment, supplies, and services which would be needed to carry out these assigned functions. Each agency of State Government shall cooperate with all other agencies of State Government to assure the availability of resources in an emergency.

Section 10

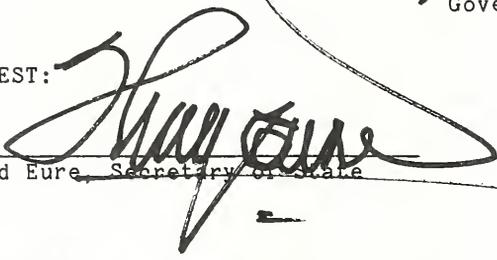
This Order shall supersede and cancel all previous Executive Orders on this subject.

Section 11

This Order shall become effective immediately. Done in the Capital City of Raleigh, North Carolina, this the 27th day of APRIL, 1988.


James G. Martin
Governor

ATTEST:


Thad Eure, Secretary of State



State of North Carolina



JAMES G. MARTIN
GOVERNOR

EXECUTIVE ORDER NUMBER 74

AN EXECUTIVE ORDER ESTABLISHING ADDITIONAL CRITERIA FOR ELIGIBILITY OF CERTAIN MEMBERS OF THE ENVIRONMENTAL MANAGEMENT COMMISSION

WHEREAS N.C.G.S. 143B-283 directs that nine of the members appointed by the Governor to the Environmental Management Commission shall be persons who do not derive any significant portion of their income from persons subject to permits or enforcement orders under that chapter; and,

WHEREAS that statute directs the Governor, by executive order, to promulgate criteria regarding conflicts of interest and disclosure thereof for determining the eligibility of persons under that section;

NOW, THEREFOR, pursuant to the authority vested in me by the Constitution of this State and N.C.G.S. 143B-283(c), IT IS HEREBY ORDERED:

Section 1.

At least nine of the members of the Environmental Management Commission appointed by the Governor shall be persons who do not receive during their period of service on the Commission a significant portion of their income from persons subject to permits or enforcement orders granted or entered by the Environmental Management Commission.

(a) For the purposes of this section, the term "significant portion of his income" shall mean ten percent of gross personal income for a calendar year, except that it shall mean fifty percent of gross personal income for a calendar year if the recipient is over sixty years of age and is receiving such portion pursuant to retirement, pension, or similar arrangement.

(b) For the purposes of this section, the term "persons subject to permits or enforcement orders" shall not include any department or agency of State government.

(c) For the purposes of this section, the term "income" includes retirement benefits, consultant fees and stock dividends.

(d) For the purposes of this section, income is not derived from persons subject to permits or enforcement orders where it is derived from mutual fund payments, or other diversified investments of which the recipient does not know the identity of the primary sources of income.

Section 2.

The Board of Ethics established pursuant to Executive Order Number 1 dated January 31, 1985 is hereby directed to prepare in conjunction with the Governor's Office a suitable disclosure form

to be completed by prospective Governor's appointees under N.C.G.S. 143B-283 and to be used by the Governor's Office in determining eligibility under Section 1. These completed forms shall be kept on file and open to public inspection by both the Board of Ethics and the Environmental Management Commission.

Section 3.

This executive order shall become effective immediately.

This the 27th day of April, 1988.

James G. Martin
James G. Martin
Governor

ATTEST:

Thad Eure
Thad Eure, Secretary of State



NUMERICAL INDEX TO SENATE AND HOUSE BILLS

1987 GENERAL ASSEMBLY SECOND SESSION 1988

Ratified Number refers to the Session Law Chapter number except when preceded by an R, in which case it refers to the Resolution number.

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<i>S.B.</i>	<i>Ratified Number</i>	<i>S.B.</i>	<i>Ratified Number</i>	<i>S.B.</i>	<i>Ratified Number</i>
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257	1100	1565	906	1616	1016
285	898	1566	977	1617	904
372	1057	1567	1042	1619	1038
411	938	1576	996	1620	1091
511	975	1581	940	1626	978
601	1110	1585	1108	1643	R39
656	1024	1588	R38	1644	R40
661	880	1589	901	1645	1041
663	1073	1597	997	1668	1090
666	899	1600	890	1676	1111
669	1087	1601	941	1699	R42
701	1058	1602	942	1823	1075
710	1059	1603	943	1837	1040
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133	1078	2190	887	2279	962
142	892	2196	947	2281	1066
243	896	2198	883	2282	913
245	1102	2199	905	2283	914
274	1072	2201	948	2288	915
280	979	2203	949	2290	1030
288	1105	2204	888	2295	963
300	1062	2207	950	2296	964
331	1025	2208	900	2297	916
364	1079	2210	951	2298	917
406	1034	2211	984	2299	965
473	1026	2212	1003	2303	918
475	946	2213	894	2304	919
519	1043	2214	953	2305	920
546	999	2215	1056	2310	1083
579	980	2216	1037	2313	966
657	1027	2220	952	2315	967
781	1101	2222	1004	2316	1067
826	893	2227	882	2317	921
837	891	2228	954	2318	968
858	1028	2229	956	2319	922
859	1036	2230	1005	2321	923
1065	1080	2233	884	2324	1019
1111	1017	2234	985	2326	969
1124	1063	2235	957	2330	924
1130	1055	2238	1006	2331	925
1133	1064	2239	958	2332	970
1144	1076	2240	959	2333	926
1171	1000	2241	907	2334	971
1204	981	2243	1023	2336	1046
1206	1081	2245	908	2337	1009
1237	1098	2249	909	2338	1010
1240	1065	2250	889	2339	990
1273	885	2251	960	2341	1011
1288	1082	2252	961	2342	927
1304	1035	2253	910	2343	972
1859	886	2254	955	2344	928
2168	982	2258	986	2345	929
2169	1001	2259	987	2346	930
2170	936	2260	988	2347	897
2171	1044	2261	911	2348	931
2172	1002	2263	1029	2350	932
2174	1021	2269	1045	2351	991
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2186	937	2273	912	2355	1012
2187	983	2274	989	2356	974

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2359	934	2461	1049	2641	1086
2360	992	2462	1092	2643	1085
2361	935	2463	995	2646	R43
2365	993	2467	1050	2648	1039
2369	1031	2475	R47	2649	R44
2372	994	2489	1112	2650	1051
2376	1013	2517	1074	2651	1052
2389	1089	2524	1097	2652	1088
2390	1047	2528	1107	2654	1069
2397	1109	2560	1084	2655	1070
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1987 GENERAL ASSEMBLY
REGULAR SESSION 1988**

Suggestions For Use: When looking for local legislation, look under the name of the particular county or municipality in which you are interested. When looking for a law that amends or repeals a certain session law, look under "Laws Amended or Repealed." When looking for general or special appropriations, look under "Appropriations" or the name of the agency. General and special appropriations are contained in seven chapters ratified during the 1987 Session (Regular Session 1988): Chapters 886, 1036, 1085, 1086, 1094, 1100, and 1101. Section numbers appear in parentheses immediately following chapter references. Chapters 1085 and 1094 are further divided into House and Senate bills which are in numerical order in Section 1 of the ratified chapters.

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Gastonia little theater 1094(S1764)

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- Gates County Board of Education 1085(H2499)
 Gates County historical society 1094(S1724)
 Gibson downtown revitalization 1085(H2552)
 Goldsboro cultural enrichment program 1085(H2637)
 Goldsboro arts council 1085(H2637); 1094(S1771)
 Goldsboro teacher awards 1094(S1771)
 Graham County Board of Education 1094(S1746)
 Graham County community
 center/fire department 1085(H2452); 1094(S1846)
 Graham County library 1094(S1746)
 Granville County arts council 1085(H2624)
 Granville County Council on Aging 1085(H2624)
 Granville County rescue squads 1085(H2642); 1094(S1835)
 Granville County senior center 1085(H2600),
 (H2624), (H2642)
- Greater Piedmont
 Teen Challenge 1085(H2237); 1094(S1768)
- Greene County arts council 1085(H2595)
 Greene County retarded citizens 1085(H2595)
 Greene County Council on Aging 1085(H2508),
 (H2595); 1094(S1830)
 Greene County economic development 1094(S1830)
 Greene County educational enrichment 1085(H2508)
 Greene County fire departments . . . 1085(H2508), (H2595)
 Greene County handicapped transportation . . . 1085(H2595)
 Greene County public library 1085(H2595)
 Greene County recreation department 1085(H2595)
 Greene County rescue squads 1085(H2508),
 (H2595); 1094(S1831)
 Greene County senior center 1085(H2508), (H2595)
 Greene County school equipment 1085(H2508), (H2595)
 Greene County teacher awards 1094(S1771)
 Greensboro Black Child Institute 1094(S1802)
 Greensboro crime & delinquency council 1094(S1802)
 Greensboro Council on the Holocaust 1085(H2599)
 Greensboro Family & Children's Service 1085(H2181),
 (H2421); 1094(S1768)
 Greensboro housing authority 1085(H2599)
 Greensboro preservation society 1085(H2180)
 Greensboro United Arts Council 1094(S1709)
 Greensboro YMCA 1085(H2599)
 Greensboro YWCA 1085(H2599)
 Greenville preservation 1085(H2508), (H2595);
 1094(S1855)
- Greenville cerebral
 palsy center 1085(H2595); 1094(S1855)

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Greenville Community Life Center	1085(H2508)
Greenville fire station & recreation facility	1085(H2508)
Greenville memorial library	1085(H2595); 1094(S1855)
Greenville museum of history	1094(S1855)
Greenville soup kitchen	1094(S1855)
Greenville Wellness Council Director	1085(H2508)
Grifton depot	1085(H2508), (H2595); 1094(S1855)
Grifton senior citizens	1085(H2595); 1094(S1855)
Grifton town improvements	1085(H2595); 1094(S1855)
Grimesland school athletic field	1085(H2595)
Guilford County dispute mediation	1094(S1803)
Guilford County—Gate City Tennis Academy	1085(H2599)
Guilford County—Old Jamestown School	1085(H2504)
Guilford County—Research	
Education & Literary Association	1094(S1802)
Guilford County—	
William Penn Foundation	1094(S1709), (S1804)
Guilford County—Young Artists Opera Theatre	1094(S1709)
Guilford County youth services	1085(H2599)
Halifax County 4-H	1094(S1726), (S1806)
Halifax County—Delta Sigma Theta Sorority . . .	1085(H2638)
Halifax County energy assistance	1085(H2638)
Halifax County human development council . . .	1085(H2638)
Halifax County library computer	1085(H2638)
Halifax County rescue squads . . .	1085(H2638); 1094(S1806)
Halifax County school computer	1085(H2638)
Halifax County—SMILES of Roanoke Rapids	1094(S1806)
Haliwa—Saponi Tribe	1085(H2638)
Hamilton community organization	1085(H2638)
Hamlet Concerned Citizens	1094(S1799)
Hamlet library	1085(H2501); 1094(S1799)
Harnett County historical society	1085(H2634)
Harnett County hospice	1085(H2634)
Harnett County museum . . .	1094(S1735), (S1739), (S1848)
Harnett County rape crisis intervention	1085(H2634)
Harnett County Uplift Operation	1085(H2606), (H2634); 1094(S1741), (S7175)
Havelock community improvements	1085(H2382)
Haven House	1094(S1737), (S1740)
Haw River recreation park	1094(S1819)
Haywood County Board of Education	1085(H2291)
Haywood County hospice	1085(H2265)
Haywood County literary council	1094(S1746)
Helpmate, Inc.	1085(H2266)
Henderson County Board of Education	1085(H2645)
Henderson farmers market	1085(H2600); 1094(S1787)

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Local and special projects:—continued

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Graduates Association 1085(H2600); 1094(S1787)

Henderson police training facility 1085(H2600),
(H2624), (H2642)

Hendersonville Symphony Orchestra 1094(S1820)

Hertford beautification & revitalization 1085(H2516)

Hertford County 4-H Foundation 1085(H2499)

Hertford County domestic violence shelter 1085(H2499)

Hertford County

fire departments 1085(H2499); 1094(S1700)

Hertford County sheltered workshop 1085(H2499)

Hiddenite Center 1085(H2367); 1094(S1624)

High Point arts council 1094(S1709), (S1801)

High Point Black Child Development Institute 1094(S1802)

High Point Drug Action Council 1085(H2527)

High Point Family Services 1094(S1768)

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Hillsborough—Burwell School improvements 1094(S1861)

Historic Bethabara Park 1085(H2440); 1094(S1703)

Historic Hillsborough Commission 1085(H2442), (H2523)

Historic Preservation Foundation of N.C. 1094(S1785)

Hoke County Committee of 100's 1094(S1729)

Hoke County hospice 1085(H2552)

Hoke County Martin Luther King celebration 1085(H2618)

Hoke County

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Hoke County senior citizens 1085(H2618)

Hoke County sheriff's department 1085(H2552)

Holden Beach Festival by the Sea 1085(H2540)

Holden Beach merchants association 1094(S1781)

Hope Harbor Home 1085(H2540)

Hope Mills senior citizens 1085(H2584)

Hospice of North Carolina, Inc. 1094(S1814)

Hyde County community building 1085(H2419)

Hyde County Focus on Aging 1094(S1850)

Ingold community building 1094(S1836)

Iredell County

fire departments 1085(H2410); 1094(S1697)

Iredell developmental day center 1094(S1595)

Jackson County juvenile shelter 1085(H2267)

John Avery Boy's Club 1094(S1705)

Johnston County bicentennial committee 1085(H2487)

Johnston County Council on Aging 1085(H2585)

Johnston County—High School Alumni

Association 1085(H2534), (H2585); 1094(S1836)

Johnston County school arts program 1085(H2248)

Johnston County SPCA 1085(H2534)

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- Jones County emergency management office 1085(H2479)
 Jones County senior citizens 1085(H2478)
 Jordan Lake law enforcement 1085(H2442); 1094(S1796)
 J.R. Faison Community Center 1094(S1799)
 Juvenile Court Counselors 1085(H2638); 1094(S1806)
 King Outreach Ministry 1094(S1813)
 King volunteer fire district 1094(S1810)
 Kings Mountain memorial library 1094(S1734)
 Kinston Board of Education 1085(H2594)
 Kinston community center 1085(H2576)
 Kinston—Harvey Gardens 1085(H2382),
 (H2576), (H2594); 1094(S1657)
 Knightdale recreation programs 1085(H2615)
 Lakeland cultural arts center . . . 1085(H2638); 1094(S1725)
 Learning Together, Inc. 1094(S1740), (S1849)
 Lee County community center 1085(H2606); 1094(S1741)
 Lee County BMX
 Parent's Association 1085(H2606); 1094(S1741)
 Lee County hospice 1094(S1736), (S1740), (S1849)
 Lee County Independent Living Center 1085(H2606)
 Lee County Industries 1085(H2606);
 1094(S1740), (S1849)
 Lee County Veterans
 Memorial Fund 1085(H2606); 1094(S1741)
 Lenoir County fair association 1085(H2576), (H2594)
 Lenoir County fire departments 1085(H2173), (H2576)
 Lenoir County historical
 association 1085(H2382), (H2576), (H2594)
 Lenoir County S.A.F.E. 1085(H2382), (H2576), (H2594)
 Lilesville Fourth of July celebration 1085(H2392)
 Lillington capital improvements 1085(H2634)
 Lillington senior & youth activities 1094(S1736), (S1741)
 Lincoln County community health center 1085(H2507)
 Lincoln County cultural development center . . . 1094(S1733)
 Lincoln County hospice 1094(S1714)
 Lincoln County wildlife orphanage 1085(H2472)
 Littleton civic & senior center 1085(H2600), (H2638)
 Littleton volunteer fire department 1085(H2624)
 Littleton senior citizens 1085(H2624); 1094(S1806)
 Loaves & Fishes Ministry 1085(H2458)
 Long Bay Artificial Reef Association 1085(H2540)
 Louisburg senior citizens center 1094(S1575)
 Lowell recreation projects 1094(S1763)
 Macon County—Scottish Tartans Society 1085(H2452)
 Madison/Buncombe Opportunity
 Corporation 1085(H2645); 1094(S1815)
 Madison chambers remodeling 1085(H2394)

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Local and special projects:—continued

- Madison Colored & Charles Drew
 Alumni Association 1085(H2394), (H2570)
 Madison County hospice 1085(H2265)
 Madison town hall 1094(S1811)
 Malcolm Blue Historical Society 1094(S1861)
 Mann's Chapel Church Preservation Society . . . 1094(S1861)
 Martin Community Players 1085(H2547), (H2638);
 1094(S1855)
 Martin County Board of Education 1085(H2638)
 Martin County fire departments 1085(H2485);
 1094(S1854), (S1860)
 Martin County headstart 1085(H2547); 1094(S1855)
 Martin County rescue squads 1094(S1854)
 Matthews community club 1085(H2551)
 Matthews Community Help Center 1085(H2551)
 Matthews historical foundation 1085(H2551)
 Maxton day care council 1085(H2618)
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 Mayodan water and sewer system 1094(S1811)
 McDowell County
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 recreational center 1085(H2445); 1094(S1815)
 Mebane arts center 1085(H2612)
 Mecklenburg County autistic bakery 1085(H2494)
 Mecklenburg County child care 1085(H2532), (H2601)
 Mecklenburg County Lions Services, Inc. 1085(H2437)
 Mecklenburg County mental health association 1085(H2494)
 Mecklenburg County parks & recreation 1085(H2495)
 Mecklenburg County
 fire departments 1085(H2285); 1094(S1690)
 Mecklenburg—Union health services 1085(H2494)
 Metrolina Association for the Blind 1085(H2426)
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 AME Zion Church 1085(H2621); 1094(S1855)
 Mint Hill historical society 1085(H2470)
 Mitchell County fire departments
 & rescue squads 1085(H2175); 1094(S1672)
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 Monroe domestic violence shelter 1094(S1792)
 Montgomery County fire departments 1085(H2435)
 Montgomery County women's crisis council . . . 1085(H2392)
 Montgomery County public library 1085(H2392)
 Moore County hospice 1094(S1814)
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 Moore County—Sandhills art council 1094(S1861)
 Moore County—Seven Lakes Rescue Squad . . . 1094(S1788)

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Local and special projects:—continued

- Moore County—Weymouth Center
 for the Arts & Humanities 1094(S1796)
- Mooreville public library 1085(H2277)
- Morrisville recreation facility 1085(H2608)
- Mount Airy main street project 1085(H2596)
- Mount Olive community center 1085(H2637)
- Murfreesboro
 historical association 1085(H2499); 1094(S1725)
- Nags Head Woods Ecological Preserve 1085(H2516)
- Nash County—Community Ministries 1094(S1806)
- Nash County domestic
 violence shelter 1085(H2586); 1094(S1806)
- Nash County library 1094(S1789)
- Nash County Opportunities
 Industrialization Center 1085(H2586)
- Nash County—Tar River
 Choral & Orchestral Society 1094(S1789)
- Nashville library 1085(H2586)
- New Bern—Craven County Educational
 Foundation 1085(H2576)
- New Bern—Craven County YMCA 1085(H2382)
- New Hanover County boys club 1085(H2633),
 (H2647); 1094(S1844)
- New Hanover County
 child advocacy commission 1094(S1844)
- New Hanover County
 Cued Speech Center 1085(H2633); 1094(S1844)
- New Hanover County
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- New Hanover County Extension
 Service Arboretum 1085(H2633); 1094(S1844)
- New Hanover County
 headstart 1085(H2647); 1094(S1844); 1100(25)
- New Hanover County
 battered children's home 1085(H2647)
- New Hanover County museum foundation 1094(S1845)
- New Hanover County—
 Myrtle Grove Community Center 1085(H2647)
- New Hanover County—
 Parents Supporting Parents 1085(H2647)
- New Hanover County rescue squads 1085(H2633)
- New Hanover County Salvation Army 1094(S1844)
- New Hanover County—
 Sickle Cell Association 1085(H2647); 1094(S1844)
- New Hanover County
 senior center 1085(H2647); 1094(S1844)
- New Hanover County sheriff 1085(H2647)

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- Northampton County courthouse 1094(S1724)
 Northampton County drainage projects 1085(H2499)
 Northampton County museum 1085(H2499)
 Oak City beautification project 1094(S1724)
 Onslow County Board of Education 1085(H2231)
 Onslow County
 Council on Aging 1085(H2456); 1094(S1728)
 Onslow County hospice 1085(H2456); 1094(S1728)
 Onslow County juvenile restitution 1094(S1752)
 Onslow County Peers 1085(H2456); 1094(S1752)
 Onslow County women's center 1094(S1752)
 Orange-Chatham Community Action 1085(H2442),
 (H2523); 1094(S1814)
 Orange-Chatham Comprehensive
 Health Services 1085(H2442); 1094(S1814)
 Orange Congregations in Mission 1085(H2523); 1094(S1814)
 Orange County retarded citizens 1094(S1814)
 Orange County day care association 1085(H2523)
 Orange County firefighters 1094(S1788), (S1814)
 Orange County Inter-Church
 Council for Social Service 1085(H2442), (H2523);
 1094(S1814)
 Orange County parks & recreation 1094(S1788)
 Orange County rape crisis center 1085(H2442)
 Orange County women's center 1085(H2523)
 Orange-Durham Coalition
 for Battered Women 1085(H2511)
 Orange-Person-Chatham
 mental health center 1094(S1814)
 Oxford Business & Professional Chain 1094(S1706)
 Pamlico County economic development 1094(S1753)
 Pamlico County Education Foundation 1085(H2576)
 Pamlico County hospice 1085(H2576)
 Pamlico County Pals
 Role Models for Children 1094(S1855)
 Pamlico County parks & recreation 1085(H2576)
 Pamlico County—Pelican Players 1085(H2382),
 (H2576), (H2594)
 Pamlico County school athletic facilities 1085(H2382),
 (H2576), (H2594)
 Pamlico County—Triangle Fire Department 1085(H2576)
 Pamlico—Tar River Foundation 1094(S1855)
 Parkton recreation center 1094(S1729)
 Parmele senior citizens center 1085(H2638); 1094(S1858)
 Pasquotank County 4-H &
 handicapped programs 1085(H2516); 1094(S1850)
 Pasquotank County Albemarle Food Pantry . . . 1085(H2516)

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- Pembroke community center 1085(H2576)
Pembroke library capital needs 1094(S1742)
Pender County fire departments 1085(H2565), (H2577);
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Pender County community buildings 1085(H2565),
(H2577); 1094(S1844)
Pender County library 1085(H2565); 1094(S1845)
Pender County museum 1085(H2577); 1094(S1845)
Pender County rescue squads 1094(S1843)
Pender County senior citizens 1094(S1843)
Pender County sheriff's department 1094(S1843)
Pender County water quality . . . 1085(H2540); 1094(S1844)
People Assisting Victims 1085(H2505)
Perquimans County Newbold-White House 1085(H2516)
Perquimans County Blanchard Building 1085(H2516)
Person County Children's
Learning Center 1085(H2624), (H2642)
Person County Council on Aging 1085(H2600),
(H2624), (H2642)
Person County hospital 1094(S1706); 1094(S1835)
Person County rescue squads 1085(H2642)
Piedmont Triad Council of Government 1094(S1824)
Pikeville parks & recreation 1085(H2637); 1094(S1830)
Pilot Mountain Foundation 1094(S1811)
Pilot Mountain centennial history 1085(H2596)
Pilot Mountain recyclable drop-off 1085(H2596)
Pitt County boys club 1085(H2508), (H2595);
1094(S1855)
Pitt County Council on Aging 1085(H2508)
Pitt County family
violence program 1085(H2595); 1094(S1855)
Pitt County fire departments 1085(H2508), (H2547),
(H2595); 1094(S1854), (S1855), (S1860)
Pitt County historical society . . . 1085(H2595); 1094(S1855)
Pitt County hospice 1085(H2595)
Pitt County memorial hospital 1085(H2508)
Pitt County mental health center 1085(H2595); 1094(S1855)
Pitt County rescue squads 1085(H2508); 1094(S1854)
Pitt County schools 1085(H2508), (H2595); 1094(S1855)
Pitt County senior citizens 1085(H2508),
(H2595); 1094(S1855)
Pitt-Greenville arts council 1085(H2508), (H2595);
1094(S1855)
Pittsboro water system improvements 1094(S1796)
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Polk County hospice	1085(H2404)
Polk County senior citizens club	1085(H2629)
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Princeville senior citizens center	1094(S1858)
Radio Reading Services	1085(H2590), (H2615); 1094(S1571), (S1740)
Raleigh arts foundation	1085(H2458)
Raleigh Boychoir	1085(H2500)
Raleigh dialysis center	1085(H2608)
Raleigh homeless shelter	1085(H2615)
Raleigh housing task force	1085(H2589)
Raleigh International Festival	1094(S1738), (S1739)
Raleigh Oratorio Society	1094(S1848)
Raleigh Symphony Orchestra	1085(H2500)
Raleigh women's center	1085(H2458), (H2587); 1094(S1736), (S1741), (S1849)
Raleigh YMCA	1085(H2615), (H2622)
Randolph County 4-H program	1085(H2561)
Randolph County Arts Guild	1094(S1861)
Randolph County Contact	1094(S1814)
Randolph National Health Services Corps Practice	1094(S1814)
Ransom activity center	1094(S1782)
Real Crisis Intervention	1085(H2508), (H2595); 1094(S1855)
Red Oak community center	1085(H2218)
Red Springs chamber of commerce	1085(H2552)
Red Springs rescue squad	1094(S1762)
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Reidsville mini-park	1094(S1811)
Reidsville police department	1094(S1810)
Reidsville senior citizens center	1094(S1813)
Richmond County alcohol & drug rehabilitation	1085(H2501)
Richmond County arts council	1094(S1800)
Richmond County community center	1094(S1799)
Richmond County Board of Education	1085(H2501); 1094(S1827)
Richmond County Community Theater	1094(S1800)
Richmond County hospice	1094(S1798)
Richmond County Parents of Disabled Children	1094(S1792), (S1798)
Richmond County museum	1094(S1800), (S1827)
Roanoke Canal Commission	1085(H2600), (H2624)
Roanoke Valley Adult Day Center	1085(H2638)
Robbins public park	1094(S1796)
Robersonville senior citizens center	1094(S1859)

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Robeson County Black Heritage Association . . .	1085(H2618)
Robeson County church & community center	1085(H2618)
Robeson County little theatre	1085(H2618)
Robeson County	
parks & recreation	1085(H2526), (H2618)
Robeson County—	
Purvis school renovations	1085(H2618)
Rockford preservation society	1085(H2522)
Rockingham County	
alcoholic halfway house	1085(H2394)
Rockingham County Council on Aging	1085(H2544)
Rockingham County	
Council on Mental Retardation	1085(H2612)
Rockingham County	
fire marshall's radio & tower	1094(S1810)
Rockingham County health department	1094(S1813)
Rockingham County historical society	1085(H2394)
Rockingham County public library	1085(H2394)
Rockingham County sheriff's department	1094(S1810)
Rocky Mount art center	1094(S1789)
Rocky Mount public library	1085(H2586)
Rocky Mount senior citizens center	1094(S1858)
Rocky Mount Tri-County Industries	1094(S1858)
Rocky Mount YWCA	1085(H2586); 1094(S1806)
Rolesville recreation program	1085(H2458)
Ronda public works	1085(H2289)
Roper capital needs	1094(S1850)
Roseboro library	1085(H2565), (H2578); 1094(S1836)
Rowan County mental health authority	1085(H2484)
Rowan County senior center	1094(S1713)
Rowland centennial celebration	1085(H2552)
Rowland community center	1094(S1729)
Rowland VFW community center	1094(S1729)
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Northeastern North Carolina	1094(S1726)
Rutherford County arts council	1085(H2405); 1094(S1719)
Rutherford County hospice	1085(H2404); 1094(S1734)
Rutherford County industrial development	1085(H2449)
Rutherford County library	1085(H2405); 1094(S1719)
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Safeway for all People	1094(S1855)
Salemburg beautification	1085(H2565), (H2578)
Salemburg community center	1085(H2565)
Salemburg improvements	1094(S1836)
Sampson County adult day care	1085(H2565), (H2578)

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Local and special projects:—continued

Sampson County

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Sampson County community theatre 1085(H2565),
(H2578); 1094(S1785)

Sampson County fire departments 1085(H2565)

Sampson County high school

alumni association 1085(H2565), (H2578)

Sampson County Union Booster Club 1085(H2578)

Sandhills Community Action Program 1094(S1814)

Sanford city hall repairs 1094(S1739)

Scarborough Nursery School 1085(H2507)

Scotland County arts council 1085(H2618)

Scotland County Board of Education 1094(S1792)

Scotland County boxing club 1085(H2618)

Scotland County—Child Care Directions 1094(S1798)

Scotland County literacy council 1085(H2552), (H2618)

Scotland County sheriff's department 1085(H2552)

Scotland County youth jobs program 1094(S1792)

Scotland Neck town auditorium 1085(H2638)

Scotland Neck school auditorium 1094(S1724)

Scurlock community organization 1085(H2618)

Shelley School child development center 1085(H2458),
(H2500), (H2587); 1094(S1849)

Siler City water system improvements 1094(S1796)

Simpson civic improvements 1085(H2595)

Simpson municipal building 1085(H2508)

Simpson municipal improvements 1094(S1855)

Snow Camp

historical drama society 1085(H2541), (H2612)

Snow Hill arts program 1085(H2508)

Southport community buildings 1085(H2540)

Southport Fourth of July festival 1094(S1781)

Sparta Crouse Park landscaping 1085(H2522)

Spring Hope community recreation 1085(H2586)

Spring Lake community center 1085(H2557), (H2582)

Spring Lake law enforcement equipment 1085(H2584)

Spring Lake Lifeline Center 1085(H2582)

Spring Lake senior center 1085(H2505),
(H2557), (H2584)

St. Pauls community building 1094(S1729)

Stanly County senior citizens center 1085(H2505)

Statesville high school auditorium 1085(H2411)

Stedman emergency generator 1085(H2505)

Stedman equipment/facilities 1085(H2575)

Stedman town hall 1085(H2584)

Stokes County arts council 1094(S1793)

Stokes County Friends of Youth 1094(S1813)

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Local and special projects:—continued

Stokes County hospice	1085(H2626)
Stokes County senior citizens transportation ...	1085(H2612)
Stoneville water lines	1094(S1811)
Surry County arts council	1085(H2626); 1094(S1793)
Surry County Friends of Youth	1094(S1813)
Surry County historical society	1094(S1793)
Surry County hospice	1094(S1813)
Surry County literacy council	1094(S1813)
Surry County northern hospital district	1085(H2596)
Surry County recyclable drop-off program	1085(H2596)
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